

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
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, September 22, 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:

Dan Onorato - Chief Executive
James Flynn - County Manager
Joseph Catanese - Director of Constituent Services
Jared Barker - Director, Legislative Services
Jennifer Liptak - Budget Director
Jack Cambest - Solicitor

PRESIDENT FITZGERALD: If everybody would take their seats. I'm going to call the meeting to order. Thank you for attending and welcome to the Tuesday, September 22nd, 2009 meeting of Allegheny County Council. If everybody would please stand for the Pledge of Allegiance. And if you would remain standing for a moment of silent prayer or reflection, and keep in your thoughts that our city and our region is kept safe this week.

(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?

MR. DEFAZIO: Here.

MR. CATANESE: Mr. Drozd?

MR. DROZD: Present.

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?

MS. GREEN: Present.

MR. CATANESE: Mr. Macey?

MR. MACEY: Here.

MR. CATANESE: Mr. Martoni?

MR. MARTONI: Here.

MR. CATANESE: Mr. McCullough?

(No response.)

MR. CATANESE: Ms. Rea?

(No response.)

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. 5115-09.

MR. CATANESE: Proclamation commending Patricia Cobbs for her lifetime of service to the children of Allegheny County. Sponsored by Councilman Martoni.

PRESIDENT FITZGERALD: Councilman Martoni.

MR. MARTONI: Thank you. This gives me particular pleasure to present because Patricia's mother and my mother have been best of friends, and we've been neighbors for many, many years. And what better recognition than someone who does wonderful things for children? I can think of none better. First, I'd like to read the proclamation and have Patricia say a word or two.

WHEREAS, Ms. Patricia Cobbs, a lifelong resident of Allegheny County and the Borough of Swissvale, has committed herself to the selfless mission of helping, mentoring, teaching and guiding children.

AND WHEREAS, for 27 years, Ms. Cobbs has been a prominent figure, not only in the County's child care industry, but also in state and national programs.

AND WHEREAS, Ms. Cobbs is the owner and operator of JLC Learning Centers in the Borough of Swissvale to better train children and adolescents to focus themselves on achieving life goals that will help them become successful throughout their lives.

AND WHEREAS, because of her efforts with the learning center, Ms. Cobbs has received many awards honoring her steadfast commitment to children, including the Pennsylvania State Department of Health Special Kids Network Provider Award, the Minority Enterprise Corporation's Building a Better Community Award.

AND WHEREAS, while having served on countless child care boards across the state and county, Ms. Cobbs has demonstrated unparalleled dedication to improving the lives of children and to giving these children a much needed voice.

NOW, THEREFORE, BE IT RESOLVED that Allegheny County Council, on behalf of the citizens of Allegheny County, hereby honors Ms. Patricia Cobbs for a lifetime of commitment to improving the lives of the children of Allegheny County. Her unparalleled fervor that she has demonstrated while assisting these children is to be commended and admired with great pride. We hope others follow in Ms. Cobbs' example and give our children the help they deserve. Thank you. Ms. Cobbs, please.

(Applause.)

MS. COBBS: I would indeed accept this on behalf of all the children that I serve through the Allegheny County region. I think that Councilman Martoni addressed that we grew up in a neighborhood where everybody took care of everybody. And so I think it was a lifelong dream of mine to be able to give back to the neighborhood what they gave to me. And in doing that, I have been in Swissvale for more than 27 years in child care, 24 hours a day. We started out as a 24-hour daycare to facilitate those that were in training classes and had to be in school in the evenings. And people that worked at Wal-Mart coming into play, and EchoStar, and they had no one to keep their children. The nurses in the hospital. So we decided that we would, as a family --- I have my three children, my daughter and my two sons, are in the child care with me. And we started it as a family business and we kept it. Our motto is to train up a child. Thank you so much for this award.

(Applause.)

(Pictures taken.)

PRESIDENT FITZGERALD: 5116-09.

MR. CATANESE: Proclamation commending the Boy Scouts and Girl Scouts of Moon Township for conducting the Flag Retirement and September 11th Remembrance Ceremony on September 19th, 2009. Sponsored by Council Member Matt Drozd.

5117-09. Proclamation declaring the week of September 27th to October 3rd as Polycystic Kidney Disease Awareness Week in Allegheny County and commending the Pittsburgh chapter of Polycystic Kidney Disease Foundation for hosting the 2009 Pittsburgh Walk for PKD. Sponsored by Councilman Finnerty, Cleary, Ellenbogen, Green and Robinson.

5118-09. Proclamation honoring Patrick A. Mitchell for retiring and for his lifetime of service to our country and to Allegheny County. Sponsored by Councilman Futules.

5119-09. Certificate of Achievement honoring Matthew Anthony Novak for reaching the rank of Eagle Scout. Sponsored by Councilman Gastgeb.

5120-09. Proclamation honoring the 100th anniversary of Moose Lodge 142 of the Borough of Elizabeth. Sponsored by Councilman Macey.

5121-09. Certificate of Recognition honoring the 50th wedding anniversary of Joe and Audrey Romano. Sponsored by Councilman Macey.

5122-09. Certificate of Recognition honoring the 50th wedding anniversary of John and Bernice Bitkowski. Sponsored by Councilman Macey.

5123-09. Certificate of Recognition honoring the 50th wedding anniversary of Donald and Kae Spark. Sponsored by Councilman Macey.

5124-09. Certificates of Recognition honoring the 50 Women of Excellence as named by the New Pittsburgh Courier. Sponsored by Council Members Robinson and Green.

PRESIDENT FITZGERALD: Public comment on agenda items. We have none this evening. Approval of minutes. 5125-09.

MR. CATANESE: Motion to approve the minutes of the regular meeting of Allegheny County Council held on August 25th, 2009.

MR. MARTONI: So moved.

(Chorus of seconds.)

PRESIDENT FITZGERALD: All in favor signify by saying aye.

(Chorus of ayes.)

PRESIDENT FITZGERALD: Minutes are approved. Presentation. We have a presentation tonight by the Chief Executive, Dan Onorato. Mr. Onorato, will you come forward? And I guess you have two presentations, actually, you'd like to make, ---

CHIEF EXECUTIVE ONORATO: Yes.

PRESIDENT FITZGERALD: --- a welcome to the 2010 Comprehensive Fiscal Plan and then an address to Council regarding the G-20 Summit per the letter that I sent to you a little over a week ago.

CHIEF EXECUTIVE ONORATO: That's correct.

PRESIDENT FITZGERALD: Whichever one you want to do first, go right ahead.

CHIEF EXECUTIVE ONORATO: Mr. President and members of Council, if you don't mind, I will do the proposed 2010 Comprehensive Fiscal Plan first, and then I will talk about the G-20 and corresponding expenditures related to the G-20. And then, obviously, I will answer any questions you or your colleagues might have at that point in time.

So once again, good evening. It's good to be here, President of County Council and members, as I

present the 2010 Comprehensive Fiscal Plan. As you know, in prior years, I come in here and we do a recap of what's happening and developments going on. This year, because of the current financial situation of the country, the state, we have a budget that I'm just going to limit my discussion to the numbers of what I'm proposing, because I think that the tight --- tough budget that I'm proposing is really the story here for all of us, considering where other governments are right now.

So the budget that I am providing --- and Mr. President, the resolutions regarding budget have been presented to you tonight. But what I want to talk about from the budget perspective is the fact that the budget proposed is only 1.41 percent higher in 2010 than the current '09 budget. If I can stress that again, the budget I'm presenting to all of you is only going up 1.4 percent, a very, very minor increase.

The budget that you will see in front of you, you will see that all of the departments have minor changes to them. As you go through the different departments and you see certain departments going up, certain departments going down, instead of looking at the actual percentage change per department, let me tell you a little about the story that's playing out so that you're not misled.

For example --- and I'll use it as an example --- if you're looking at the Row Office region, you might see the controller's budget go up four percent, when in reality it's really not going up because as we continue to implement things like J.D. Edwards --- we finally brought on a payroll system. And under that system, we had to rearrange certain individuals that are doing functions that were in the Department of Human Services that were transferred from that department into the Controller's Office, so that we can properly implement J.D. Edwards. So it really is a budgetary net effect. It's just that one is removed from one department to another department as you look forward. The real number to look at is the overall increase to the budget, which is minimal, as I mentioned.

As we look at next year's budget, you will see that most of the revenues are consistent, a few minor changes, but nothing that sticks out. Expenditures are consistent. And again, in these tight fiscal times, I think this is what it calls for.

But there's something new this year that ---. I heard all of you last year. I heard many of you and your suggestions over the years. And I think collectively, this body and my office can actually deal with some of these issues. And what I want to talk about is how we balance the 2010 budget without any property tax increases, and that's really the story here. It's seven years in a row now that I've come upon this body with no property tax increase. There isn't a county in western Pennsylvania that the commissioners can say that. Every single county that borders us, their property taxes have gone up 25 to 35 percent. This is my seventh year, again, and budgets that you all passed that does not include a property tax increase. We're holding on once again.

It does not include a property reassessment, either, the 2010 budget. So we're holding the line once again. And I take a lot of pride in that and I take a lot of pride with all of you in that because, obviously, I need your votes to pass a budget, and you've been a great partner in keeping us in line and holding property taxes down. I think that we can both take pride in that as we talk to our residents, that we are pretty strong in our fiscal controls.

But in 2010, you will see some one-time revenues, and this is the area that I want to talk about with you, because I want to talk about 2010 and 2011. You will see a \$30 million line item which says, operating transfers in. I want to explain what that is. We get reimbursed by the State government for projects that we've performed in the past, capital projects, bridges, other capital projects.

I'm proposing in the budget I'm submitting to you that that \$30 million will be used in the 2010 operating budget. But what I'm doing this year that I've never done before and prior administrations haven't done, and that as many of you and I agreed to that we should do, is figure out how do we try to get off the one-time revenues?

So on page 130 of your comprehensive book, if you want to look at it now, it talks about 2011. And what you will see on that page are seven line items that total \$30 million, all reoccurring items that will replace the one-time \$30 million used in 2010. So what are they? 2011, I will be standing here in 12 months presenting you with a budget that will not have \$30 million in one-time

revenue, but will have \$30 million in ongoing reoccurring --- either revenues or reductions. And these numbers are real. They're not wishful thinking. They're real. And I want to stress that.

For example, I want to go through the seven items because I'm going to be working with many of you through 2010 to make them real by 2011. In the budget for 2010, you're going to see a balloon payment for debt service. Our debt service jumps up next year to \$72 million. That is from a refinancing that happened before I was County Executive that created a balloon payment in the year 2010. That's the bad news. The good news is in 2011, that payment drops to \$65 million. So in 2011, our debt service will drop \$7 million. That's an ongoing savings because the debt service going forward stays at \$65 million but continues to slowly drop. So there's \$7 million that you're going to see in 2011, which is an ongoing savings.

Increase in gaming host fee for 2011. The 2010 budget you're getting has \$6 million in a host fee for a new gaming facility. Now, all the estimates from these facilities, we're told we should get between \$10 million and \$17 million. We're giving a conservative approach in 2010 because it's still new, but we're putting in \$6 million. In 2011, you're going to see a budget where I put in \$11 million. Again, on a low side. All the estimates were between \$10 million and \$17 million. We believe it's real and I'm going to give you real numbers. I don't want to give numbers that aren't attainable. So that's a \$5 million increase in the 2011 budget.

Increase of the sales tax for 2011. As you know, the State is preparing to pass a budget, and they're talking about removing some of the exemptions on the sales tax. That has a direct impact on revenues we get from sales tax dollars in Allegheny County because, obviously, the base is going to be expanded on what the sales tax applies, which means we're going to get more money. You'll see an additional \$5 million in 2011.

I'm committed to decreasing expenditures by \$5 million in 2011. And if you don't think that can happen, I'm pleased to tell you this is seven years now --- I'm going into my seventh year as County Executive. And when they told me we couldn't do it my first year in office, we decreased our operating payroll by 538 bodies, and we still have that many people less today than we did seven

years ago. The hardest part for elected officials is when a decrease in payroll is enough to refill those positions and just watch it creep up again.

So Jim Flynn and Amy Griser, all my directors that are sitting in this room, I want to personally thank them for seven years, continuing to provide great service with less bodies. So I want to reiterate again today, we have 538 less people on the payroll than we did when I took over this government. We will continue to look for ways to reduce costs by \$5 million by 2011.

Revenues from the sale of the Marcellus Shale rights on county property. I'm giving both of us, because you have a role in this, the county property, all of 2010 to figure out, how do we get our money from the land that we own? And I'm only budgeting \$3 million for 2011. That number could be significantly higher, but again, I'm going to give conservative numbers.

Many of you have told me to go and try to get money from the non-profits. Well, I've been working in Harrisburg on that issue. We're making some headway. I believe through 2010, we're going to be able to get something out of the non-profits for 2011 and hopefully it's going to be an amicable solution with the non-profits. But I'm going to budget \$4 million for 2011.

And then finally, by 2011, we will be saving a minimum \$1 million in utility costs for all the efficiency expenditures we've made in our buildings, for example, the light changes at the jail. So those seven items total \$30 million. And every single one of them, every single one of them is a reoccurring event.

So while we have a one-time revenue again in 2010 that I'm presenting --- and that's happened several different times throughout my seven years. It happened several times with my predecessor, I pointed out, as Controller. I'm committed, along with all of you, to find a way to get the budget balanced long term. And I think we're on our way. The 2011 numbers you'll see in that Comprehensive Plan in front of you, you'll see are very real. And those numbers could be higher, because we gave you the lowest, most conservative numbers on every one of those line items going forward. So we're excited about getting there and dealing with those issues.

But I wanted to talk about that discussion right up front so that I don't leave here and then you go through the numbers and you ask me what that \$30 million

is. You know what it is now. It is in the 2010 proposed budget. It will not be in the 2011 budget that I present 12 months from now. And we might be the only government body that is able to say that in these tough economic times.

And I'd like to remind everybody, the proposed compromise in Harrisburg that they did not vote on yet, that they plan on voting on, there's about \$1.5 billion of one-time revenues to plug that hole. They're draining a \$730 million Medicare fund and they're going to drain a \$730 million Rainy Day Fund, both one-time savings accounts of the State. We're using a one-time line item and have a plan to wipe it out in 12 months with reoccurring expenditure reductions for revenues that are real. I think that's the responsible thing to do.

And I'm excited about working with all of you, really, as we look at 2010, but also 12 months from now when I stand here, we can all look at this \$30 million. And that's why I put it in your book. I don't want to leave here and we argue next year, oh, this is what you verbally said in front of us. No. It's in writing. It's in writing. I'm committed to doing it. It's in that Comprehensive Plan. And I want all of us to make sure we make it a reality next year when we come forward with 2011.

I talked to you about the payroll in the county, where it stands. And let me --- for our friends, maybe, in the media, because this always gets confused. There are two budgets for the County that you all know about, but I want to make it clear as I sit here, too. What I'm proposing and talking about right now is the 2010 operating budget. It's the operating budget that is actually seeing 538 less people today than where we were seven years ago. The Human Service budget, which is over \$900 million, as you all know, is the Federal and State money that continues to go up every year as the State gets out of the human service business and pushes it down to the county. That payroll is definitely increased, but it's really the State and Federal payroll. It's not our local operating payroll. Every single county in Pennsylvania in the last ten years has watched that budget go up because the State pushes it down and pays for it, and the counties then implement it.

So you've got to look at the operating. The operating is what affects our property tax. The operating

that we've held the line on is the operating where we've actually lowered the payroll for over seven years and maintained that lower payroll. You have a service budget. It is a State and Federal budget that is fully paid for by the State and Federal government, too. So that is a public policy decision being made at the State level as they continue to close facilities like many of you --- they've been doing that for a decade. And as they close those facilities, those functions don't go away. They just get dropped down to the local government for us to contract or hire people. That's why that payroll looks so different. But it's nothing that we're doing. It's really a result of State policy.

On the capital side, we also --- I'm also presenting the 2010 capital budget. It's approximately \$30 million more than last year. So \$60 million --- you've got a capital budget of about \$92 million. And those increases are for a lot of reasons, but a significant part of that is because of some of the stimulus money passing through the states, coming down to the counties. So we are still, even in this tough operating budget I'm proposing to all of you, recognizing our commitment to our capital needs on the capital county side, as opposed to coming up short there. We understand that we've got to continue to help with our infrastructure, and the capital side will not be neglected, even in these tough economic times.

So the bottom line of the operating budget, before I go to the G-20 discussion, is very simple. Seven years in a row, no property tax increase. The County operating payroll is down 538 people from seven years ago, and we continue to maintain it. The one-time revenues that have been used several times in this administration and the prior administration is being proposed once again in 2010, with a commitment to wipe it out in 2011's budget.

And then finally, our fund balance we expect to remain constant around \$18 million at the end of '09. And I want to congratulate all of you, too, because you've been my partner on this for my seven years --- well, my sixth, going on seventh year that I've been County Executive. Along with County Council, we inherited a \$17 million fund balance when I became County Executive, and after six full years, it's still around \$18 million. So even though once in a while we use one-time revenues to

balance budgets, we've always kept in mind to try to keep the fund balance at least where it was. Our goal is to get \$25 million one day. But the good news is we're not going backwards after six years. And we don't plan on going backwards in 2010, either. And we're seriously going to attack the one-time issues going forward. Again, this is the first time that we've actually put it on the table and I've actually put it in the budget to talk about not just 2010 but 2011. And then, finally, the capital we talked about.

Mr. President, I'm going to switch gears and just talk briefly about the G-20 budget, and then I will conclude and open up --- unless you want to treat them separately. We can do either way.

PRESIDENT FITZGERALD: Why don't you go ahead, and then people can ask questions on both topics?

CHIEF EXECUTIVE ONORATO: This will be very short.

PRESIDENT FITZGERALD: Okay.

CHIEF EXECUTIVE ONORATO: The G-20 budget --- and by the way, obviously, we're in the middle of G-20 week. I have a proposed budget of what we think we're going to spend. You know, these are just budgets, and I'll probably know better on Saturday than I do today. But what we believe that we will spend --- and this is spending due to our Public Safety Department, for example, emergency services, jail, sheriff, police, the courts, district attorney, Port Authority, Public Works. I mean not Public Safety. Public Works, Port Authority and Airport Authority. Combined, all those categories, we believe that the cost to us will be approximately \$3.5 million. And that's just --- that's a budget. That's an estimated budget number. Obviously, we'll know the real number real soon on what the costs were.

I also make it clear, we --- I believe strongly that we are going to be fully reimbursed by the Federal government and the State government. We already know \$3 million of that \$3.5 million is already earmarked for reimbursement. And if we spend more than the \$3 million, we will go and get the \$500,000 additional for reimbursement. So \$3 million of revenues have already been identified that are coming to this county. And if we spend more than that, we will go and get the additional \$500,000. For right now, that's pretty much what we expect our cost in that range to be based on what we know

today and what we expect to happen this week. And then, obviously, when it's all over, I'll be more than happy to give a briefing on actual numbers, both cost and reimbursements to this county, so you know exactly what the situation was after the fact. But that's where we are right now. And that concludes both my budget presentation and the G-20.

And let me end with --- again, I want to thank Amy Griser, my Budget Director, and her staff, the County Manager, Jim Flynn, and all of my directors who have really had to operate on pretty tight budgets over the years. And I think they've done a pretty good job, have done a great job and really producing quality services.

Oh, and there is one special thank-you before I end here, and that is to our Director of the Department of Human Services, Marc Cherna. He quietly has weathered a storm through the State budget not being passed. He's kept me informed through this whole process. It has not been easy. He's found ways, basically, to bridge some cash from other accounts and keep them going, which are going to be fully, obviously, reimbursed when the budgets passed. But he found a way to provide critical service to the most needed in our society while the State struggles over a budget.

And it doesn't mean that we're out of the woods yet. If for some reason this budget doesn't get passed in Harrisburg, if for some reason it gets delayed beyond what we expect it to, Marc has informed me that we cannot continue down this path much longer. But if the State budget passes, I think the pressure would immediately be relieved that we can get through it. But to this point in time, they've done a great job, the Department of Human Services, sort of keeping the operation running with the uncertainty that's been over their head. So thank you all.

PRESIDENT FITZGERALD: Okay. And with that, I'm going to start off. First of all, I'm glad to see that the Comprehensive Fiscal Plan that will be presented doesn't show a tax increase again to property tax owners. And that will be welcome news to the property owners in Allegheny County. And hopefully, looking at Mr. Robinson's committee, we'll come to agreement that that's where we want to go. My sense is that the will on this Council will be to try to hold the line on property taxes.

So we look forward to going through the budget process like we do every year.

I want to switch over, though, to the G-20 for just a minute. I'm glad to hear that this County and our operating budget --- our budget is not going to be adversely impacted, because I think there were certainly some rumors early on that the cost might be pretty exorbitant. Obviously, we don't know what's going to happen in the next couple days. We all have our fingers crossed and are hopeful that we'll put on our best foot forward and we'll have a peaceful and successful event going forward. And I also see on the budget tonight that there's a Grants and Special Accounts for that \$3 million, and this Council will be accepting that \$3 million and be voting on it.

The only question I do have --- well, I have a couple questions. But one of them I do have is, when we finally saw the \$3 million and the \$3.5 million figures that appeared in the paper a little over a week ago, this Council didn't have communication in July when those figures were put together. And I guess my criticism and my question would be, why did that occur?

CHIEF EXECUTIVE ONORATO: And that's a fair question, and I'll take responsibility for any lack of communication. But it wasn't because we didn't want you to know. The real reason was we weren't sure what exactly we were expected to do. And let me explain, because there's ---. Every time I read the accounts of this in the papers, they still don't get it right. And the reason is because it is very confusing.

The Mayor and I submitted a joint proposal to the Federal government for about \$25 million about a month ago. And that was because we were told we had to submit something right away for Federal reimbursements. At that point in time, there were a lot of suggestions, a lot of inquiries, a lot of allegations of what we might have to do. And they basically told us, well, put in there what you think it's going to cost you if you had to do all these things. For example, there was a controversial line item that showed \$4 million for the airport. Well, there was a moment in time, when the G-20 was announced, that we were told they might have to use some of the 911 out at the airport and you might want to improve and upgrade the runway for certain types of airplanes coming in. So we put in that proposal.

Now, today I can tell you they are not doing that. We are not doing those expenditures. We don't need the reimbursement. It doesn't mean that we were off by \$4 million. We gave our best estimate at that time, submitting it to the Federal government. And that \$25 million, which was both City and County combined, were signed off both by the Mayor and me. So there were no surprises. The Mayor and I were in locked steps on those numbers. But we'll all tell you they were completely estimated numbers. We were doing our best guesstimate at that moment in time. There was no reason for me to come to Council to ask to accept a grant yet or to move money that I had been asking for. But it doesn't excuse the fact that I could have at least briefed you on what was happening, so I'll take responsibility for that, because we could have at least let you know what we were doing.

But I was trying to --- the Mayor and I were both trying to present whatever we had to present together when we had better numbers for both our Councils. As you know, it didn't work out that way. A piece of legislation got to City Council ahead of us. But at least at the end of the day, everybody seemed to agree on the split on the revenues, of where they should go, and I think that's good.

But right now, this is where we are and what the County is committed to doing. The City is pretty much at the same number. The only big difference for the City was the big number. It was about \$10 million for contracted policing services. Now, that is a direct reimbursement by the Federal government. Money is coming into the City. The City has got to sign contracts with police departments to bring in police officers. And both the City and I and the County --- the City and the County will spend \$3 million to \$4 million, our numbers for now, on top of that \$10 million to service --- what we use for service here. So the City number looks very large, but in reality, \$10 million of that is contracted services, fully reimbursed. And then their number is the same as our number on what we're contributing with our manpower.

PRESIDENT FITZGERALD: I also understand. Obviously, this is a situation we've never dealt with before, a worldwide conference that's never been held in any city that's not a world capital. So it certainly is a special situation, and the Secret Service has taken the lead. And I'm assuming --- and we know that the City is

really the lead agency locally. We're kind of in a supportive role, we being the County. The other question I have is, the City's got a \$2 million line item for insurance certificates ---

CHIEF EXECUTIVE ONORATO: Yes.

PRESIDENT FITZGERALD: --- that is being paid for by the Federal government. Will our officers share as County police, et cetera, or the forces that we're providing, are they covered under that certificate?

CHIEF EXECUTIVE ONORATO: The answer is yes, but I want to double check. County Manager, that's correct; right?

MR. FLYNN: Yes.

CHIEF EXECUTIVE ONORATO: Yes, they are part of that policy, yes.

PRESIDENT FITZGERALD: So we're covered ---?

CHIEF EXECUTIVE ONORATO: Yes. Yes. And that \$2 million is fully reimbursed by the Federal government.

PRESIDENT FITZGERALD: But we don't have to pay any of that out of our budget?

CHIEF EXECUTIVE ONORATO: And neither does the City. As a matter of fact, the \$10 million the City is getting pays for the contracted police, and \$2 million was for the insurance. That's how we got to this figure.

PRESIDENT FITZGERALD: Any questions on the budget or the G-20 for the County Executive? Mr. Futules?

MR. FUTULES: Thank you for coming, Dan. I hear a lot in the news media some negative talk, and of course, positive talk about the G-20. But I've never heard anybody talk about the immediate revenues that will come into Allegheny County due to motels, food, transportation, miscellaneous spending. Do we have any sort of numbers as to what's actually --- influx of money will be coming in?

CHIEF EXECUTIVE ONORATO: I was at a press conference today where Visit Pittsburgh ran numbers, and their numbers --- this is Visit Pittsburgh --- says there should be a \$40 million direct impact to the local economy of direct spending, which is mostly Allegheny County. So I would say that's a number to start with. I can get you all the projections from Visit Pittsburgh on what they expect the event to be a direct benefit, the side benefits of the funds that are coming in. But they just announced that today, their analysis. So it's probably in tomorrow's paper since they announced it today.

MR. FUTULES: Thank you. One more question.

CHIEF EXECUTIVE ONORATO: Sure.

MR. FUTULES: It's not pertaining to G-20, but you talked about the budget, and the --- like, the savings of utilities at the jail and other places in the County. Do you have any plan for new vehicles in this County for better fuel efficient vehicles for the future?

CHIEF EXECUTIVE ONORATO: Yes. And I don't have it in my speech today because we're actually in negotiations as it relates to both our vehicles and our mass transit vehicles. We don't have that finalized yet, but we have some proposals that are out there. As soon as they become real, we're going to be bringing it to all of you for discussion.

MR. FUTULES: Thank you.

PRESIDENT FITZGERALD: Mr. Finnerty?

MR. FINNERTY: Thank you, Mr. President. Glad to see you here, Mr. County Executive. You talked about the budget and some reoccurring savings.

CHIEF EXECUTIVE ONORATO: Yes.

MR. FINNERTY: And one of them you mentioned, the 538 employees are not there anymore?

CHIEF EXECUTIVE ONORATO: Yes.

MR. FINNERTY: And then you mentioned that there's going to be a \$5 million decrease for 2011?

CHIEF EXECUTIVE ONORATO: That's correct. Yes.

MR. FINNERTY: How is that going to be realized?

CHIEF EXECUTIVE ONORATO: The \$5 million --- and obviously, that will be detailed when I present that budget next year.

MR. FINNERTY: Right.

CHIEF EXECUTIVE ONORATO: That will probably be a combination of a reduction through attrition, a combination of expenditures --- non-personnel expenditures reductions. For example, if the Budget Department sees an opportunity to refinance, or if the economic conditions are good to refinance and we can lower the debt service another million or two, we will do that. It could be just additional expenditures, non-personnel expenditures throughout that whole budget.

But \$5 million is actually a conservative number considering twice in my six years we eliminated \$15 million, close to \$17 million, in two different budgets. So \$5 million is something that I believe is doable. And when I worked with my staff, I said, I want about \$30 million that are real that I can present to this Council

and look all of you in the eye and say, these are real possibilities, not like I'm going to get \$30 million from the hospitals and then we fight about it and nothing happens. Every one I gave you, I believe we can have it completed by 2011 when I present that budget to you.

MR. FINNERTY: Speaking of this \$5 million, are you saying this is going to be a reoccurring savings?

CHIEF EXECUTIVE ONORATO: Yes.

MR. FINNERTY: Every year?

CHIEF EXECUTIVE ONORATO: For example, let's just say that --- and I'm not saying it's going to happen. But if the market conditions permit, and let's say that we refinance and our debt service goes from \$65 million, say, to \$63 million, that \$2 million savings is long term, that our debt service drops for the long term. So that's a \$2 million savings reoccurring every year with no bubble, no balloon. A real refinancing long term. That would be an example, if that was one of them.

But whatever was in that \$5 million would have to qualify for a reoccurring cut that would be there forever, and that's why, yes, we'll be working on that. And I'll present the details on that next year when we stand here.

MR. FINNERTY: Okay. Thank you. I appreciate that.

PRESIDENT FITZGERALD: Mr. Gastgeb?

MR. GASTGEB: Thank you, President Fitzgerald. Welcome, Mr. Onorato.

CHIEF EXECUTIVE ONORATO: Councilor.

MR. GASTGEB: I just have a comment and a few questions. I agree with your analysis of the seven points as you outline them. In fact, many have been --- as you know, within this Council, within our committees, we have talked about it. So it's nice to see some progression there. And also, I'd like to echo what you said. No new taxes, no new property taxes of any kind. But no new taxes whatsoever and no institution proposed of any additional taxes?

CHIEF EXECUTIVE ONORATO: Correct.

MR. GASTGEB: Which I also think is good. My questions are on the Kane Regional Centers, and I think you outlined your budget in a collective approach. So to continue with that, I think this Council would be well served --- we can start the budget process by looking at the Kanes. And according to the Controller, there hasn't

been one year that we haven't lost at least \$1.6 million in operating costs, and the occupancy percentage hasn't been any better than 90 percent. And we have used one-time fixes, if you will. So if Kane is like a microcosm to the overall budget, just out of line, what can we do to put some reoccurring-type systems in place so the Kanes are not a drain on our budget?

CHIEF EXECUTIVE ONORATO: You are right. I was hoping to have Kanes break even by now, but they're not. And your numbers I don't dispute, but the good news is, 2004, my first year as County Executive, the Kanes lost \$10 million in that year. So going from a \$10 million loss to a \$1.78 million, which is the Controller's number --- I won't dispute it --- we made big gains on this. We really trumped that deficit. I want to get to break even.

The reason that we haven't broken even yet is the plan that I announced about two years ago where we decertified about 250 beds and we were going to convert some of our Kanes to an Alzheimer Unit, Assisted Living, Independent Living. Well, Ross was one of those, Ross Kane. That's currently under construction. So we haven't had a chance to have the full benefit of it up and running. The Independent Living --- the conversion of the one wing is under construction as we speak.

It probably took a little longer than I thought it would. But the good news is that we're following through on our plan. We're staying with it. So hopefully when the construction is completed on the conversion of two of those Kanes where we took the beds off one and provided better services because we're offered reimbursements, I hope I can stand here real soon and show a break-even Kane. But we made significant progress from seven years ago.

MR. GASTGEB: I don't disagree. It's just the overall redness, but you made a good attempt with the other aspects. That's probably something to work on collectively. And speaking of Ross and speaking of a decertification, there are less beds, and Ross is taking more of a private approach to this. But the workforce seems to be almost the same. And you mentioned 538 workforce cuts that you made as County Executive, but are Kanes --- somehow that's on the list to look critically and see what we actually need in lieu of Ross and some other things going on there?

CHIEF EXECUTIVE ONORATO: To be fair to the Kanes, in 2004 when we did the --- and you were here, actually, when we did the --- I think it was six months in, I did that 500-person reduction of payroll in my first six months of office. Out of --- and I think I remember this number. About 277 bodies came out of Kane, workers. It took a significant hit in the reduction of the first 500. I might be off by 10 or 20, but it was over 200. So the numbers we're looking at the last two years, while they might not have changed much, they did change drastically in '01, '04 and '05. But I'll make that analysis and I'll look at it.

And I do want to point out we're open-minded to Council's suggestion. And those six line items, as you mentioned, that I mentioned, Council --- you guys have made it clear to me on the Marcellus Shale, which is in there. You made it clear to me on the non-profits. You want me to go through those. And they're really, probably the two biggies that --- and I would also classify the \$5 million decrease in expenditures, as Council was saying, let's continue to look at things. So I'm trying to take some of your good suggestions where I believe they can ultimately work, we have agreement, and let's get there collectively.

MR. GASTGEB: And then before I ask my second question, I've been here long enough to actually state that it's been ten years with me that we haven't had a property tax. So I got you by three. Marcellus Shale is a great example of, I think, starting from ground zero and working up. Would you be receptive to looking at all alternative revenue besides Marcellus Shale? And by that I mean selective timber, natural gas rights, naming rights. It seems like instead of having Marcellus Shale, we put them all into one silo to see what we come up with.

CHIEF EXECUTIVE ONORATO: The answer is yes. You know, I'm hoping that the new Parks Foundation, as they continue to get their sea legs ---. I've made it clear, and I know many of you agree --- I think advertising should be on the table. I think any possible private revenue --- with one caveat. We all agree that we want to preserve the integrity of our assets. But if there's a way to generate private money, I'm all for it. And any suggestions that come from this body we will explore. If they become real, I will present them in my budgets and endorse them with all of you.

MR. GASTGEB: Thank you very much.

PRESIDENT FITZGERALD: Mr. Drozd, then Mr. Ellenbogen.

MR. DROZD: Thank you, Mr. Chief Executive, for coming before us. And it is truly commendable that there's no property tax increase, and that bodes well for the majority out here sitting, your directors, all the way down to the person who actually sweeps the floor of this building. So that's good to hear. I'm really glad to hear that because, you know, when I talk to my constituents, the number one concern they have is taxes. It used to be the economy, but now it's the taxes. What I'd like to ask you, in the capital budget, I see you're going to expand it by about approximately \$30 million?

CHIEF EXECUTIVE ONORATO: Yes.

MR. DROZD: And what I would ask you to do is to --- you know, all people in Allegheny County share the debt service this year, the tax burden --- that when you spend this money across the 13 districts, everybody would get their equal share. There's just a lot of roads and bridges not only in my area, but other districts that need to be repaired. I'd like to see that spread a little more, if we could.

CHIEF EXECUTIVE ONORATO: Okay.

MR. DROZD: That would be one area. One other point, what do you see ---? The question is, if these assessments come through the courts, have you done any cash flow projections? Has your staff done any cash flow projections on how that would affect our budget in the future, that you can see?

CHIEF EXECUTIVE ONORATO: The answer is a simple no. In my 2010 budget, we do not anticipate a reassessment, because as of today, as you know, there is no court ordered reassessment. We're in front of Judge Wettick as we speak. I'm trying to work with the Legislature to --- and the House already voted on part of it. We're trying to get the Senate to vote on the two-year moratorium, give the State some time to deal with it. But the answer is no. So if something should change through the courts during '10, then we collectively are going to have to figure out what we do with it. But right now, I do not anticipate it in this budget.

MR. DROZD: On the G-20, you know, there's a cost versus the real cost. A lot of constituents have talked in the last week or two --- and we met with Moon

Township people out there and their Chamber of Commerce. A lot of businesses --- there's a real cost to them, and they're concerned about the fact that some of them have to close down. So we have to watch that where we can minimize that wherever possible so that they don't lose a lot of money, or damages. And I have articles from Seattle and some of the things that were targeted. Some of the areas were targeted with businesses in those areas.

The other thing I would ask you, I've heard a lot about prevention, you know, both at the City level --- I attended some of the City Council meetings where it was discussed, and some of your meetings. And I wonder --- what I'm concerned about equally, if not even more important, is the response, first responders. Are we adequately prepared to handle any worst-case scenarios? Do you feel, in your opinion, that we can not only protect our citizenry when we respond if there's that worst-case scenario and then follow up ---?

CHIEF EXECUTIVE ONORATO: Yes. I do believe that we are extremely prepared because of the City, County, State Homeland Security, Secret Service. I had the opportunity to take a tour with the National Media through our Emergency Service facility and also to talk with the professionals. And I'm confident that we're prepared. Now, obviously, what the protesters do is going to be determined by them. But we've taken the approach that the world leaders and the peaceful protesters are both guests of ours, and we want to make sure that they all have a place. If it's somebody's intention to break the law or cause property damage, they will be dealt with, hopefully swiftly, but they will be dealt with.

MR. DROZD: Equally important is, you know, not just the protesters. We've got to watch for terrorists, and that's something different than normal during the influx of the convention. The last thing is, a lot of people out there that I've talked to, they really are perplexed by the G-20 because they want other monies invested in other issues. You know, we still have our flooding issue, I want to remind everybody, especially in Councilman Burn's and my area. In fact, I just attended a flood meeting. They're concerned. We still see that there's problems. So we've got to be aware of that.

So you know, the cost investment of those monies is --- they're perplexed on that. Could we get --- you know, we've heard the projections of revenues. If

possible after this G-20 comes in and following the G-20, could we get a detailed report on the cost structure, what it cost the County and City or wherever it might be? It would be good to see what the return on the investment is because if it's projected at \$40 million --- I'd like to see some hard numbers ---

CHIEF EXECUTIVE ONORATO: Okay.

MR. DROZD: --- so that we can go back to our constituency, and I think that would be good and bode well for leadership here, that we can show them that there was a return on the investment and income to the people of Allegheny County and to the City residents that's far in excess of what was invested here. If that would be possible, I think it would be very good.

CHIEF EXECUTIVE ONORATO: Sure. And if I could suggest, I would also make the suggestion that maybe you actually have the Visit Pittsburgh, who's doing analysis here, explain the numbers. I think it can be helpful for you all.

MR. DROZD: Thank you.

PRESIDENT FITZGERALD: Mr. Ellenbogen and then Mr. Burn.

MR. ELLENBOGEN: Actually, I have one question and I have a comment, too. So welcome. Thanks for coming over. The first question I have, actually, is about the G-20. I know the Federal government does what the Federal government does. But in terms of the City and that, are you comfortable with the role that Superintendent Moffatt and Chief Full have in this?

CHIEF EXECUTIVE ONORATO: Oh, absolutely. We are actually blessed that Chief Full is not only our Director of Emergency Services, but as you all know, he's the head of Region 13. He has the ear on both the State, the Federal and the locals. They're right in the middle of all of us, and I'm very pleased. The same with Superintendent Moffatt, because as you know, we're responsible for the airport. We're responsible for the jail. We're responsible for our parks. We're responsible for the courts. They're all on heightened notice, and they're ready to go. They're all County functions. And between Sheriff Mullen and Superintendent of Police Charlie Moffatt, the two of them put together a pretty aggressive plan that I think is going to work well for us.

MR. ELLENBOGEN: I wanted to feel comfortable about that. In a former life when I was Chief of Special

Services, I went through enough emergencies with these guys to know you have two of the best. And I didn't want ---. I wanted to make sure that they weren't getting pushed off to the side.

The next thing I wanted to say, and you have all your records there, is, you know, I have been very successful as a councilman. And a lot of what I owe is to you, directors, that are sitting there. I think that I personally need to recognize you and thank you for the quick service that my constituents get. Chief, you've put together a tremendous staff. I have to tell you that any questions that my constituents ever have, the response time is unbelievable. Superintendent Moffatt, Chief Full, Director Olczak and --- you know, I don't want to name you all. But I'd like to thank all of you personally for the quick response and for the professionalism that your staff approached any situations that I ever approached. And I'd like to thank you also. Thank you.

PRESIDENT FITZGERALD: Councilman Burn?

MR. BURN: Thank you, Mr. President. Good evening, Mr. Onorato.

CHIEF EXECUTIVE ONORATO: Councilor.

MR. BURN: I just wanted to make a few observations regarding G-20. I'd like to thank the administration and Jim Flynn and Chief Full for meeting with me last week in my capacity as Chairman of the Public Safety Committee. Mr. President, they briefed me on the current situation with respect to security and public safety and echoed sentiments of the Executive and some of my colleagues. I believe that even without the G-20, we have some of the best law enforcement and public safety personnel in the country, bar none.

You know, they showed me their plans and their coordination with City, Municipal, State and Federal law enforcement and other public safety personnel. I was assured that they are fully prepared to deal with any contingency, and I'm sure they will do their best and it will be the utmost in professionalism and the preparation. Today I had a firsthand look at how prepared we are, and it's very impressive to see the coordination and the preparation going into the public safety aspect of this historic event. So I'd like to commend the administration and all those in public safety and law enforcement for their preparation for the next couple of days. Thank you, sir.

CHIEF EXECUTIVE ONORATO: Thank you.

PRESIDENT FITZGERALD: Mr. Executive, thank you. We appreciate you coming. I'm sorry. You had your hand up. Go ahead.

MR. MCCULLOUGH: Mr. Chief Executive, I came a little bit late. I caught your comments, but I see that you're receptive to alternative revenue sources. And one of those for consideration is getting revenues from the non-profits; is that correct?

CHIEF EXECUTIVE ONORATO: Yes.

MR. MCCULLOUGH: Well, good. Just for the record, I'd like everybody to know that very early on when I first came on last year --- I came here in 2008 --- I proposed something about getting revenues from the non-profits. It's been tied up in committee for quite some time. I would ask that you take a look at that legislation. Obviously, that's not the only way to start this issue, but I'm asking for you to take an honest look at that. And let's see if we can use your office, as well as other members of Council, to try to get that concept dislodged. I think at the very least, if the non-profits are cognizant of our efforts to do something legislatively, you may be able to get something from them voluntarily.

And the other thing is, I'm going to ask Mr. Barker to give you two other pieces of legislation that also reflects the issue of revenue generation. The first one --- and I don't know if this is on your plate or not. It's been on my plate for some time. And that's to do some sort of study or assessment of our County authorities, whether or not they should be privatized. I'm not here to say that they should or they can, but I do think we ought to take a hard look at it. At the very least, if we could turn these properties or the properties that they own into taxable properties, just the revenues generated from that alone may be a big use for the County government. And again, that's been lodged and sitting tied up in committee since February of last year. Again, I ask you to take a look at that issue. Let's see if your office can get involved with this and see if we can get this off the dime to at least study it.

The other bill that's there has something to do with the idea of fundraising in general. And you and I had a great discussion about this a while ago. And I guess where I'm coming from is that if we had some

identifiable group of people within the County --- I call them the Department of Institutional Development. Maybe it doesn't have to be that big. Maybe it's an outgrowth of Economic Development --- that would coordinate efforts to sell naming rights, do other fundraising means, what have you. I know that's been successful for non-profit institutions, and I know we're not a college, we're not a hospital. But then again, we have a proud history here and a proud tradition. And maybe on a coordinated effort, people would be willing to buy into that. Again, I'm going to ask you to look at that as well.

And if you don't mind, I'd also like to ask you about the property assessment situation. And again, I think that we're all glad that we're not going to see another property tax increase, but --- and we haven't seen one for a long time. But I think we're also concerned about the specter of this litigation as we're going on and on and on and on. And as I understand the situation, correct me if I'm wrong, it looks like there's going to be somewhat of a mini-trial in the next month before Judge Wettick as to when the County has to reassess. Is that your understanding? Is that the rumor we've got going around here?

CHIEF EXECUTIVE ONORATO: Actually, we're in front of Judge Wettick on October 19th. There's a hearing where we're presenting evidence, both sides.

MR. MCCULLOUGH: Okay. So the issue is going to be, as I understand, like a trial, really, to determine when the County must reassess; is that correct?

CHIEF EXECUTIVE ONORATO: Yes. And I would add, when or if we should reassess.

MR. MCCULLOUGH: Well, that's my next point. I've got some Orders here --- actually, some copies of an Order that is actually dated June 6th, 2007. I'm going to take issue with you to the extent that there is no outstanding order out here to do a reassessment. And I'll just, again, ask Mr. Barker to give these to you. And what my concern is, this Order basically said that the Supreme Court would not decide in this case. I think it was by --- yes, October 31, 2008. We were under the dime to do a reassessment by March 31 of this year, to be implemented next year.

So what I'm presuming we've got going down is really trying to get Judge Wettick off of that Order, because I checked the docket. This Order was never

stayed. There was never anything blunting its implementation. Hopefully the proceedings you've got going on in a month will address that issue. But absent that, if he sticks to his outstanding Order, we're late. And that's a concern to me.

The other thing that's a concern to me is when I go over the Opinion by the Supreme Court, it lists that we have a coefficient of dispersion of about 30. And as I understand that --- again, this a lot of gobbledygook to me. You may know more or not. But as I understand it, that means about half of our properties are out of whack, from an assessment standpoint, by at least 30 percent. That could be 30 percent under-assessed, 30 percent over-assessed. We're talking about a quarter of a million properties. So obviously, what we have right now is a problem. The issue is, how do we address it going forward? And I guess my question to you is, is it your ultimate strategy to keep this up in the air until you can get a State solution or are you amenable to some sort of alternative step to try to address this problem we've got with mis-assessed properties, yet avoid the disastrous consequences of your own experience seven and eight years ago when we did handle reassessments?

CHIEF EXECUTIVE ONORATO: My strategy is to make sure that Allegheny County never does a reassessment on its own again, that we get unified State legislation. So in the short term, I hope that the Senate votes for the bill, because it's a two-year moratorium on all the court-ordered reassessments, and the legislation asks for the State to pay for a study and compare the 48 states that do this right, and to come up with legislation for Pennsylvania to make it uniform for all 67 counties, more importantly, put property owner protection in place.

Most states that have periodic reassessments have protection per household where you can't go up or go down more than two or three percent. It doesn't exist in Pennsylvania, which is why we had the fiasco the two times we did it. We need true protection. I know the State can give that to us. So the first thing is I hope the Senate passes the bill and the Governor signs it and we get a two-year reprieve for the State to actually deal with this issue. If that doesn't happen, then I'm going to be arguing to Judge Wettick that he gives us the reprieve until we have time to work with the State to try to get a State solution to it. So that's my strategy right now.

MR. MCCULLOUGH: Okay. My concern is if the Judge ultimately orders what he's done in the past, which is reassessment, and the State does as it's done in the past, which is advocate responsibility for this situation, at least from our last --- we go through another extensive reassessment. So let me ask you a question. As you know, I've toured around in this area for a while. If I told you I felt there was a way to use the current numbers that we have, 2002 face year values, and build in protections to make sure that there was a level of uniformity, a way to avoid sticker shock, a way to deal with municipalities so that they won't reap a windfall and not reduce their millage appropriately, there's at least a concept, would you be amenable to considering that?

CHIEF EXECUTIVE ONORATO: Sure. I'd love to see you pull that off. That would be great.

MR. MCCULLOUGH: All right. Well, let me ask you for a favor; all right? Because I believe I have something, and I'm not here to toot my horn. But I'm going to need to be able to talk to your Director of OPA and I'm going to need to be able to talk to the Chief Assessment Officer. And I'd like to be able to do that and finalize something to deliver to you and deliver to Council prior to the October date. And I'd like your commitment that I'll have the opportunity to work with these people directly.

CHIEF EXECUTIVE ONORATO: Yes, I will ask the County Manager to set up a meeting with the appropriate people to hear your proposal. And then I will be --- I look forward to reviewing it with my staff to see if we agree that it's doable. We look forward ---. I will point out, though, the only thing that I don't give credence to is the coefficient of dispersion which is in the Supreme Court Decision. And the reason I don't is because this County spent \$40 million to do two reassessments just seven or eight years ago. And there's no way that our COD is worse than the counties that border us that haven't reassessed in 40 years.

So if it is, we spent \$40 million on it. If it isn't, it's because of the way you can manipulate COD. And the way you manipulate the COD is that you just take your current sales and you cut off the outliers.

MR. MCCULLOUGH: That's right. I think that's what's going on.

CHIEF EXECUTIVE ONORATO: And I can give you a COD that's perfect every year. And you and I both know it's pure manipulation over what the County submits or the State. So it's a shame that they use that as a barometer.

MR. MCCULLOUGH: Well, that's one of the reasons why I wanted to bring this out. I agree with you about the COD. And frankly, that was one of the misleading problems that we had, is these assessments look good on paper. But when you apply them to matters of various people that live in these different neighborhoods, you wind up with people saying that they recently purchased a house and paid \$250,000 for it. They're assessed at \$250,000. The same house right across the street that hadn't changed hands in 25 years is assessed at \$175,000. Again, the COD is a misleading factor and it's not something I would be particularly interested in with what I'm talking about.

The last thing I just want you to take a look at --- because I'm going to introduce a sense of Council later tonight after you're gone. But I do want you to keep this under your hat when you're talking to the State Legislature. It is to suggest a statewide way to deal with this. And again, Mr. Barker, would you please give this to the Chief Executive? And briefly, what it's suggesting is rather than having states do our assessing or State-mandated assessments, it would be to provide a form of a safe harbor as an alternative to doing the assessment all together.

And what I'm proposing is to make the State develop a fee schedule and basically have a per-square-foot fee and not-to-exceed fee for the various types and uses of properties. In other words, it would be per square foot assessed value set by the State, not to exceed, for residential property, a different one for commercial, a different one for industrial and agricultural. And have that out there as a schedule. Give the counties the opportunity to opt into that schedule so they can adopt those rights up to the max. And then they would really be having true uniformity through all properties within the county.

And I know some people are going to say we have older properties and younger properties, but then again, everybody is going to be working off the same calculus. You know, the bigger places would pay more, and you would adjust your millage accordingly. And it would be simpler

to go --- to be available for every county across the state. I think it's a pretty good idea. I came across it when I was researching this other thing. I'd like you to take a look at it. I'd be interested in your thoughts.

CHIEF EXECUTIVE ONORATO: Okay.

MR. MCCULLOUGH: And you might want to keep that in mind when you're talking to the Legislature. But what it does is, frankly, would give every county the chance to get out of the assessment business altogether.

CHIEF EXECUTIVE ONORATO: Okay.

MR. MCCULLOUGH: Okay. I have no further questions. Thank you.

CHIEF EXECUTIVE ONORATO: Thank you. Mr. Finnerty?

MR. FINNERTY: Thank you, Mr. President. I'd just like to thank you for holding the line on property tax, and hopefully your reassessment plan will come through.

CHIEF EXECUTIVE ONORATO: Or lack thereof; right?

MR. FINNERTY: Or lack thereof. I'll keep my fingers crossed in regard to that. And I'd also like to thank all the directors here for all the cooperation they have brought in making our life a lot easier when we get constituent calls, et cetera, and Economic Development for their diligence in the projects that they bring forth. Thank you.

PRESIDENT FITZGERALD: Thank you, Mr. Executive. Thank you for coming and answering our questions and briefing us on that. We look forward to working with you on the budget so we can get it passed next year. Thank you.

(Applause.)

PRESIDENT FITZGERALD: We'll move on to unfinished business. Committee on Appointment Review, second reading, 5021-09.

MR. CATANESE: Approving the appointment of Mark F. Nowak to serve as a member of the Human Relations Commission, County of Allegheny for a term to expire on December 31st, 2010. Sponsored by the Chief Executive.

PRESIDENT FITZGERALD: Chair DeFazio?

MR. DEFAZIO: Yes. At the meeting everyone was in favor of this appointment, so I'd like to make a motion at this time to go along with the appointment.

(Chorus of seconds.)

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

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? Motion carries.
Mr. Nowak is approved. 5022-09.

MR. CATANESE: Approving the appointment of
Barbara Daly Danko to serve as a member of the Human
Relations Commission of the County of Allegheny for a term
to expire December 31st, 2012. Sponsored by the Chief
Executive.

PRESIDENT FITZGERALD: Chair DeFazio?

MR. DEFAZIO: Yes. Everyone at the meeting was
in agreement with this appointment, so at this time I'd
like to make a motion to go along with the appointment.

(Chorus of seconds.)

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

(Chorus of ayes.)

MR. MCCULLOUGH: Excuse me, Mr. Fitzgerald. I
don't have a problem with who we're speaking of, but I'm
opposed to the concept of the Human Relations Commission
in general, so I'm going to have a continuing abstention
for all these ---.

PRESIDENT FITZGERALD: On all these Human
Relation Commission --- I understand. Please make a note
on that, Mr. Catanese. All in favor signify by saying
aye.

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? The motion
carries. Ms. Daly Danko is approved. 5023-09.

MR. CATANESE: Approving the appointment of Hugh
Fitzpatrick McGough to serve as a member of the Human
Relations Commission of the County of Allegheny for a term
to expire December 31st, 2012.

PRESIDENT FITZGERALD: Chair DeFazio?

MR. DEFAZIO: Yes. Everyone at the meeting was
in agreement with the appointment, so at this time I'd
like to make a motion to go along with this appointment.

MR. MACEY: Second.

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

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? Motion carries.
Make a note that Mr. McGough is approved. 5024-09.

MR. CATANESE: Approving the appointment of Sara Davis Buss to serve as a member of the Human Relations Commission of the County of Allegheny for a term to expire on December 31st, 2012.

PRESIDENT FITZGERALD: Chair DeFazio?

MR. DEFAZIO: Yes. At the meeting everyone was in favor of this appointment. I'd like to make a motion at this time to go along with that appointment.

PRESIDENT FITZGERALD: So moved.

MR. MACEY: Second.

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

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? Motion carries.
Ms. Davis Buss is approved. 5025-09.

MR. CATANESE: Approving the appointment of Justice Cynthia Baldwin to serve as a member of the Human Relations Commission of the County of Allegheny for a term to expire December 31st, 2010.

PRESIDENT FITZGERALD: Chair DeFazio?

MR. DEFAZIO: At the meeting everyone was in favor of this appointment, so at this time I'd like to make a motion to go along with the appointment.

MR. MACEY: Second.

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

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? Motion carries.
Justice Baldwin is approved. 5026-09.

MR. CATANESE: Approving the appointment of La'Tasha D. Mayes to serve as a member of the Human Relations Commission of the County of Allegheny for a term to expire December 31st, 2012. Sponsored by the Chief Executive.

PRESIDENT FITZGERALD: Chair DeFazio?

MR. DEFAZIO: Yes. Everyone at the meeting was in agreement with this appointment, so at this time I'd like to make a motion to go along with the appointment.

MR. MACEY: Second.

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

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? Motion carries.
Ms. Mayes is approved. And again, make a note of all

those last six that Mr. McCullough is not voting.
5027-09.

MR. CATANESE: Approving the appointment of Michelle M. Figlar to serve as a member of the Children, Youth and Families Advisory Committee for a term to expire December 31st, 2011. Sponsored by the Chief Executive.

PRESIDENT FITZGERALD: Chair DeFazio?

MR. DEFAZIO: Yes. At the meeting everyone was in favor of this appointment, so at this time I'd like to make a motion to go along with the appointment.

PRESIDENT FITZGERALD: So moved.

MS. CLEARY: Second.

PRESIDENT FITZGERALD: Second. Discussion? All in favor signify by saying aye.

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? Motion carries.
Ms. Figlar is approved. 5028-09.

MR. CATANESE: Approving the appointment of Wendy Etheridge Smith to serve as a member of the Children, Youth and Families Advisory Committee for a term to expire December 31st, 2011. Sponsored by the Chief Executive.

PRESIDENT FITZGERALD: Chair DeFazio?

MR. DEFAZIO: Yes. Everyone at the meeting was in favor of this appointment, so at this time I'd like to make a motion to go along with this appointment.

PRESIDENT FITZGERALD: So moved.

(Chorus of seconds.)

PRESIDENT FITZGERALD: Second. Discussion? All in favor signify by saying aye.

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? The motion carries. Ms. Smith is approved. 5029-09.

MR. CATANESE: Approving the reappointment of Scott Federbusch to serve as a member of the Allegheny County Mental Health/Mental Retardation Advisory Board for a term to expire December 31st, 2011. Sponsored by the Chief Executive.

PRESIDENT FITZGERALD: Chair DeFazio?

MR. DEFAZIO: Yes. At the meeting everyone was in agreement for this reappointment, so at this time I'd like to make a motion for approval of the reappointment.

PRESIDENT FITZGERALD: Moved.

(Chorus of seconds.)

PRESIDENT FITZGERALD: Second. Discussion? All in favor signify by saying aye.

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? Motion carries. Mr. Federbusch is approved. 5030-09.

MR. CATANESE: Approving the appointment of William Brooks to serve as a member of the Redevelopment Authority of Allegheny County for a term to expire May 23rd, 2012. Sponsored by the Chief Executive.

PRESIDENT FITZGERALD: Chair DeFazio?

MR. DEFAZIO: Yes. Everyone at the meeting approved this appointment, so at this time I'd like to make a motion for the approval of this.

PRESIDENT FITZGERALD: So moved.

MS. CLEARY: Second.

PRESIDENT FITZGERALD: Second. Discussion? All in favor signify by saying aye.

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? Motion carries.

MR. MCCULLOUGH: Nay.

PRESIDENT FITZGERALD: Please make a note Mr. McCullough is a nay on Mr. Brooks, but Mr. Brooks is approved. 5031-09.

MR. CATANESE: Approving the appointment of Joan C. Rogers to serve as a member of the Allegheny County Area Agency on Aging Advisory Board for a term to expire December 31st, 2011. Sponsored by the Chief Executive.

PRESIDENT FITZGERALD: Chair DeFazio?

MR. DEFAZIO: Yes. At the meeting everyone was in favor of this appointment, so at this time I'd like to make a motion for the approval.

MS. CLEARY: Second.

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

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? Motion carries. Ms. Rogers is approved. 5032-09.

MR. CATANESE: Approving the appointment of Mavis Rainey to serve as a member of the Allegheny County Port Authority for a term to expire December 31st, 2009. Sponsored by the Chief Executive.

PRESIDENT FITZGERALD: Chair DeFazio?

MR. DEFAZIO: Yes. At the meeting everyone was in agreement with this appointment, so at this time I'd like to make a motion to approve.

MR. MACEY: Second.

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

PRESIDENT FITZGERALD: Opposed? Motion carries.
Ms. Rainey is approved. 5033-09.

MR. CATANESE: Approving the appointment of Joseph Brimmeier to serve as a member of the Community College of Allegheny County Board of Directors for a term to expire December 31st, 2011. Sponsored by the Chief Executive.

PRESIDENT FITZGERALD: Chair DeFazio?

MR. DEFAZIO: Yes. At this meeting everyone was in favor of this appointment, so at this time I'd like to make a motion for the approval.
(Chorus of seconds.)

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

PRESIDENT FITZGERALD: Opposed? Motion carries.
Mr. Brimmeier is approved. 5070-09.

MR. CATANESE: Approving the appointment of Timothy H. Johnson to serve as a member of the Minority Business Enterprise Advisory Committee for a term to expire December 31st, 2011. Sponsored by the Chief Executive.

PRESIDENT FITZGERALD: Chair DeFazio?

MR. DEFAZIO: Yes. Everyone at the meeting was in favor of this appointment, so at this time I'd like to make a motion for the approval.

PRESIDENT FITZGERALD: So moved.

(Chorus of seconds.)

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

PRESIDENT FITZGERALD: Opposed? Motion carries.
Mr. Johnson is approved. 5071-09.

MR. CATANESE: Approving the appointment of Marc Little to serve as a member of the Minority Business Enterprise Advisory Committee for a term to expire December 31st, 2012. Sponsored by the Chief Executive.

PRESIDENT FITZGERALD: Chair DeFazio?

MR. DEFAZIO: Yes. At the meeting everyone was in favor of this appointment, so at this time I'd like to make a motion for approval.

PRESIDENT FITZGERALD: So moved.

MR. MACEY: Second.

PRESIDENT FITZGERALD: Second. Discussion? All in favor signify by saying aye.

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? Motion carries. Mr. Little is approved. 5072-09.

MR. CATANESE: Approving the appointment of Iftikhar Malik to serve as a member of the Minority Business Enterprise Advisory Committee for a term to expire December 31st, 2010. Sponsored by the Chief Executive.

PRESIDENT FITZGERALD: Chair DeFazio?

MR. DEFAZIO: At the meeting everyone was in favor of this appointment, so at this time I'd like to make a motion for approval.

MR. MACEY: Second.

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

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? Motion carries. Mr. Malik is approved. Committee on Economic Development and Housing, second reading, 5086-09.

MR. CATANESE: An ordinance approving the sale of certain real property owned by the County of Allegheny, Pennsylvania, to a development group comprised of Massaro Properties, LLC, Langholz Wilson Ellis, Incorporated, Kratsa Properties, Tasso Katselas Associates, Incorporated for the sale price of \$4.9 million for the purpose of demolishing the current building located thereon and constructing a new development, including a hotel, office building and parking garage. Sponsored by the Chief Executive.

PRESIDENT FITZGERALD: Chair Finnerty?

MR. FINNERTY: Thank you, Mr. President. This is the second time that this has appeared before Council. It was released from committee with an affirmative recommendation. This bill represents a win/win situation for the County and to the taxpayers of the County. We have a building in Oakland which is in disrepair and not on the tax rolls, and we have proposed a \$55 million project and it will be placed on the tax rolls. This will generate at least \$250,000 in taxes per year in this situation. So I'd like to move this bill.

MR. MACEY: Second.

PRESIDENT FITZGERALD: Moved, second.
Discussion? Mr. Futules?

MR. FUTULES: I'd like to offer an answer to the bill, please.

PRESIDENT FITZGERALD: Do you have it in written form?

MR. FUTULES: I do.

PRESIDENT FITZGERALD: I'm sorry. Mr. Drozd?

MR. DROZD: Likewise, I have one.

PRESIDENT FITZGERALD: Okay.

MR. MCCULLOUGH: I've got one, too.

PRESIDENT FITZGERALD: Councilman Futules?

MR. FUTULES: Yes. During the committee process, the question was brought up by Joan as to what would happen if this property were to be sold in the future to a non-profit organization, what kind of guarantee would we have. And Mr. Wilson is here tonight. He answered very honestly and said there is none. This amendment has a deed restriction where the property owner would not be permitted to sell the property to a non-profit organization. If they would attempt to do so, the property would revert back to the County. This would ensure us collecting taxes on this property for the lifetime of the building.

PRESIDENT FITZGERALD: Do you wish to make a motion to amend?

MR. FUTULES: I'd like to make a motion to amend.

PRESIDENT FITZGERALD: Is there a second?

MR. CLEARY: Second.

PRESIDENT FITZGERALD: Ms. Cleary second.

Discussion? Mr. Finnerty, Chair?

MR. FINNERTY: Thank you. This amendment does not preclude the developers from selling this to another for-profit organization; is that correct?

MR. FUTULES: That is correct.

MR. FINNERTY: Thank you.

MR. FUTULES: The sole purpose of this is to eliminate non-profit organizations. The fact that we're in a very high area where non-profits exist, such as Carlowe College, UPMC, someday in the future it could likely be turned over or sold to a non-profit organization and then our obligation here to collect these taxes would go away. This would eliminate that. And I believe that we should be able to get that agreement hopefully with the

builder to not sell their property to a non-profit organization in the future. Thank you.

PRESIDENT FITZGERALD: Mr. Finnerty, anything else on this?

MR. FINNERTY: No, that's all. I just wanted to ---.

PRESIDENT FITZGERALD: Mr. Ellenbogen and then Mr. Robinson.

MR. ELLENBOGEN: I just want to say that the importance of this thing here is first of all, Chairman Finnerty should be commended, and also Councilman Futules because, you know, all we hear about is the City and County tax base being eroded by non-profits. This is great thinking for the future, your amendment, and I think you should be commended for working as hard as you did on this because, you know, a project this expensive, \$55 million, is put back on the tax rolls. And the public should realize that. This is property that's dilapidated at this point. And to have that back on the tax rolls I think is fantastic. Good thinking on both your parts. Thank you.

PRESIDENT FITZGERALD: Mr. Robinson?

MR. ROBINSON: Thank you, Mr. President, members of Council. I wanted to echo Mr. Ellenbogen's comments. In light of what the Chief Executive said and recognizing our concern, Council's concern about future revenues, I think this is an appropriate thing to do. One of the resources that we have in this County is that we can sell, can generate, the properties we own. And I think we need to be very mindful that two years from now, regardless of what we do with the budget, unless we're very cautious, we're going to have a bigger revenue shortfall than we have today. So I echo those concerns of Mr. Ellenbogen and thank Mr. Finnerty and Mr. Futules for being on top of the situation. I would encourage my colleagues to look at future sales in the same light. What is going to be the future impact on the revenues of this County?

PRESIDENT FITZGERALD Mr. McCullough?

MR. MCCULLOUGH: I'm not quite sure of the procedure of this, Mr. Fitzgerald, but I have an amendment, too, that I'd like to offer at some point.

PRESIDENT FITZGERALD: An amendment to the amendment or ---?

MR. MCCULLOUGH: An amendment to the ---.

PRESIDENT FITZGERALD: I'd like to consider the amendments kind of separately if we can.

MR. MCCULLOUGH: Okay. I just want to make sure I'm not being blocked ---.

PRESIDENT FITZGERALD: No, no. Every amendment will be heard. We're not going to ---.

MR. MCCULLOUGH: Let me make a couple of comments then.

PRESIDENT FITZGERALD: Sure.

MR. MCCULLOUGH: I have an amendment that has Nick's issue in and some more. And again, I want to compliment Councilman Finnerty. I am not a member of the Economic Development Committee, but I attended one of the Committee's proceedings on this and it was not only well-conducted, it was, I thought, very good, intellectual exchange and discussion about a number of issues related to this and it was just a job very well done by Mike. And I see Nick's issue and I understand now why Mr. Barker was able to split these up, because we all generated so many amendments on this. But I have some other things that I'll bring up as well when the time comes to introduce my amendment as well.

PRESIDENT FITZGERALD: With that I'm going to call for a vote on the Futules amendment. We'll do a roll call on this one, Joe. Let's go down the line.

MR. CATANESE: Mr. Burn?

MR. BURN: Yes.

MR. CATANESE: Ms. Cleary?

MS. CLEARY: Aye.

MR. CATANESE: Mr. DeFazio?

MR. DEFAZIO: Yes.

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: Ms. Green?

MS. GREEN: Aye.

MR. CATANESE: Mr. Macey?

MR. MACEY: Yes.

MR. CATANESE: Mr. Martoni?

MR. MARTONI: Yes.

MR. CATANESE: Mr. McCullough?

MR. MCCULLOUGH: I have a question for Council.

By voting in favor of this, we're not precluding consideration of other amendments; is that correct?

MR. CATANESE: That's correct.

MR. MCCULLOUGH: I'll vote aye for this.

MR. CATANESE: Ms. Robinson?

MS. ROBINSON: Aye.

MR. CATANESE: President Fitzgerald?

PRESIDENT FITZGERALD: Yes.

MR. CATANESE: Ayes 15, noes 0, the amendment passes.

PRESIDENT FITZGERALD: Councilwoman Cleary?

MS. CLEARY: Yes. I also have an amendment. I had it e-mailed to everybody today so everybody could have a look at it. My amendment deals with the proceeds of the sale, if we put the money from the sale, the \$4.9 million, into a special account so that we could be making improvements for the Health Department, their facilities and development, their program and their operation, because it would cover all aspects of the Health Department. The Flack Building is pretty full, so you can't move people there. I expressed concerns also about the current employees, where they will be going and what we'll be doing technically to control some of this money. The other building in Oakland that the Health Department needs to have is in bad shape, so they need money there. I think the most important thing, though, is that we get dollars from the State, matching funds for the Health Department. So I think that's the best use of our money to serve all of our constituents. So I would like to make the amendment to put the money into a special account when we receive it. Thank you.

MR. ROBINSON: Second.

PRESIDENT FITZGERALD: Moved, second.

Discussion on the Cleary amendment? Mr. Drozd?

MR. DROZD: Yes. I agree with Councilwoman Cleary on her points on this because the building --- there's infection control issues in the building now being used. There's patient privacy issues. And then you go into Lawrenceville --- I don't know how many of you have toured the buildings, but I like the idea that the state would match. That would increase by another approximately

\$25 million, \$24,500,000. This is imperative that it remains within the Health Department to improve services for the people. And I agree with this. Thank you.

PRESIDENT FITZGERALD: Any other questions?
Please call the roll on the Cleary amendment.

MR. CATANESE: Mr. Burn?

MR. BURN: Yes.

MR. CATANESE: Ms. Cleary?

MS. CLEARY: Aye.

MR. CATANESE: Mr. DeFazio?

MR. DEFAZIO: Yes.

MR. CATANESE: Mr. Drozd?

MR. DROZD: Aye.

MR. CATANESE: Mr. Ellenbogen?

(No response.)

MR. CATANESE: Mr. Finnerty?

MR. FINNERTY: Yes.

MR. CATANESE: Mr. Futules?

MR. FUTULES: Yes.

MR. CATANESE: Mr. Gastgeb?

MR. GASTGEB: Yes.

MR. CATANESE: Ms. Green?

MS. GREEN: Aye.

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?

MS. ROBINSON: Aye.

MR. CATANESE: Mr. Fitzgerald, President?

PRESIDENT FITZGERALD: Yes.

MR. CATANESE: Ayes 13, noes 0. The amendment passes.

PRESIDENT FITZGERALD: Mr. Drozd, do you have an amendment? And then Mr. McCullough has an amendment.

MR. DROZD: I'll follow Mr. McCullough.

PRESIDENT FITZGERALD: Mr. McCullough, do you want to go ahead?

MR. MCCULLOUGH: Mr. Barker is passing it out. While he does, this amendment adopts Councilwoman Cleary's language. It also expands upon Councilman Futules' and it adds some other safeguards. I'm going to mention a name that may be a bane to some of you, but I'm a big fan of

his, and that's Ronald Regan. He used to say, trust but verify. And I think this proposal sounds real good. We need to make sure it's verified. And this amendment goes off on a very simple assumption. If I were going to sell my house, I wouldn't commit to a sale of the house until, number one, I had a written sales agreement that I actually saw and reviewed, and number two, I knew where I was going before I made the sale. What concerns me here is this looks good up front, but we don't know what's going to happen to the Health Department. We also haven't seen as a Council a definitive sales agreement.

So what this amendment does is it grants a preliminary approval to this process and gets us to take a look at this, prior to the closing, number one, to make sure that Councilwoman's Cleary issue is taken care of. You'll also see in section six that there are what I think is very important covenants that needs to be in the sales agreement. Number one, we're selling this property as is. As you know, this is a very old property out there. We don't know what kind of shape it's in. We don't know what kind of environmental issues there are with it, asbestos or what have you. I think it's in our best interest we make it clear that there's absolutely no recourse against the County regarding any condition that may come up on that property. And that's frankly a standard operating procedure in the sale of commercial property.

The other one is an environmental indemnity in favor of the County as well. Again, that's a standard covenant you see in the sale of commercial property. We want to be able to get our money out of this and walk away clean without worrying about any backend exposure. We also have to have, I believe, suitable arrangements for the relocation of our Health Department, whether we're going to be tenants there or we're going to go somewhere else. I mean, it behooves us as a body to know that before we finally commit to this sale.

One thing I'm concerned about is Mike, I don't know if you addressed it at your last meeting here, is, I hope this is not a disguised sale and lease-back where, you know, we're going to be getting money up front but then we're going to wind up leasing the property or a certain portion of the property for the Health Department and paying maybe a very high rate of rent and basically giving back what we got, you know, maybe over seven to ten years. If that's the case, all we're doing is borrowing

money, and that's really not what we ought to be doing here.

The other thing is we've heard a lot about the project that's going to be on the property. Well, we want to make sure these developers can do it. So D is basically that we get representations and warranties from them that they're actually going to build what they're telling us they're going to build and that they set a time frame to do it. I mean, right now, we don't have any binding commitment that I'm aware of that they're actually going to do what they say. I mean, that should be reduced to writing in a final sales agreement and we should take a look at it.

E really expands upon what Nick had to say. What I'm more worried about it not just selling it to a non-profit and have it come off the tax rolls, but they buy the property, they sit on it, they don't develop it, and they turn around and they spin it off to somebody else and they make a profit off of it. We want this thing developed. And again, this is a clause you see frequently when people buy or when companies buy developmental property. You know, we're not in this to let them be land speculators. We want them to develop this thing and do what they say they're going to do.

The last one is a default clause, and it's somewhat onerous, but it's important here, and that would be that there is some forfeiture, that we would have the right to reacquire the property at 50 percent of the purchase price if they breach it. So in other words, if we see they're not going to do what they're going to do, we have the chance, if the County wants, if it's in the County's best interest, to take it back and resell it again. So that's the amendment I'm offering. And I request that you all vote in favor of it. Thank you.

PRESIDENT FITZGERALD: Is that a motion to approve the amendment?

MR. MCCULLOUGH: Yes, it is.

PRESIDENT FITZGERALD: So moved.

MR. GASTGEB: Second.

PRESIDENT FITZGERALD: Second. Discussion? Mr. Macey and then Mr. Drozd.

MR. MACEY: Thank you, Mr. President and members of Council. We've had committee meetings, and the issues that have been stated here have been stated, whether it's been stated or implied, is considered contractual to these

hearings. I don't believe that we need to micromanage the process. Managers manage, whether it's in the County Manager's Office or whether it's in the Health Department, whether it's the Director of the Health Department. If we would take this action each and every time, as proposed by Mr. McCullough, we'd have to go through 15 Council people, plus the directors, plus the Chief Executive. I say let our managers manage. Let the directors direct. Thank you very much.

PRESIDENT FITZGERALD: Mr. Drozd and then Mr. Gastgeb.

MR. DROZD: Thank you, Mr. President. I've dealt with commercial industrial real estate for years. And I agree with Mr. McCullough. We have to be cognizant of the fact we don't know what lies underneath this property. You inherit it. They don't inherit it. If we don't have this clause that indemnifies us, we could inherit a cost that far, far exceeds and puts a burden on the taxpayers of Allegheny County. This is prudent. We must make sure that's part of this. Believe me, it's prudent. I can show you. Our Law Department can show, refer how many properties that had biohazards or something on there that you don't know until you dig those foundations. This property is going to be demolished, believe that. And what's underneath that building we don't know. And we need to be indemnified.

Secondly, we should have a right to reacquire if it's not developed in the way that we do, because the whole objective of this is to gain revenues as well as enhance the services for the people of Allegheny County. This is not micromanagement. It's smart business. And that's what we need to be about, is smart business. I think we really should endorse this. Thank you, Mr. President.

PRESIDENT FITZGERALD: I'm going to call Mr. Flynn. It looks like he's got a comment for us.

MR. FLYNN: Mr. President, there's been a lot of discussion on this bill tonight. We've had two pretty thorough Council meetings --- committee meetings in Chair Finnerty's committee. It's obvious there's still a lot of questions to be answered. I'm going to request that this bill goes back to committee, if you would indulge me that. Because the first amendment that was passed is going to have an impact on the sale price. So I think it needs to

go back to committee and we need to have some more discussion on this.

PRESIDENT FITZGERALD: I'm going to defer to the Chair on this. I'm going to ask Mr. Finnerty. He's been working on this.

MR. FINNERTY: Thank you, Mr. President. You're saying that the first amendment that was put up is going to change the sales price?

MR. FLYNN: If that was the one that had the restrictions on the transfer subsequent to our sale.

PRESIDENT FITZGERALD: That's the amendment you're talking about?

MR. FLYNN: I believe that that could have an impact upon the sale. I haven't talked to the purchaser, but I would imagine that would have an impact, yes. Right now it's been portrayed as a free and clear title. If there's a deed restriction onto it, that may have an impact on the sale price.

MR. FINNERTY: Well, when will we know if that's the case?

MR. FLYNN: Well, I would imagine on the cell phone we'll be getting a call very shortly. I don't want to put words in your mouth. But I think there's a lot of questions. And, you know, we can answer some of these in committee.

PRESIDENT FITZGERALD: It sounds like the Chairman is amenable to that.

MR. FINNERTY: I would like to still go through these amendments and bring it back. What do you think?

PRESIDENT FITZGERALD: Do you want to have the discussion here or do you want to have it in your committee? We're not going to move the bill tonight.

MR. FINNERTY: If you're not going to move it, then there's no sense in ---.

PRESIDENT FITZGERALD: Yes. You can have --- Mr. Drozd has an amendment we haven't seen yet. Others may have amendments. If the Administration --- I mean, what could happen? Look, we could pass all these things ---. If the Administration's unhappy, we're not going to --- veto it anyway and we come back and do the whole thing all over again.

MR. MARTONI: Does this require a motion, Mr. Chairman?

PRESIDENT FITZGERALD: I think we do.

MR. MARTONI: I make a motion that we send it back to committee.

(Chorus of seconds.)

MR. MARTONI: We have too many things out here. I don't think this is the place to filter through them; okay?

MR. MCCULLOUGH: Is that a motion?

PRESIDENT FITZGERALD: That's a motion and a second. Wait. I want to make sure we're okay because we have an amendment on the floor and a motion on the floor.

MR. MCCULLOUGH: That's what I want to address.

PRESIDENT FITZGERALD: Well, the amendment is already passed. I'm talking about the McCullough amendment. I want to get it from our parliamentary what we need to do. Joe?

MR. CATANESE: Well, I think we need to take some action on Mr. McCullough's amendment. If he's agreeable to it going back to committee, he can withdraw it.

MR. MCCULLOUGH: That's what I wanted to say. I want to clear it out.

PRESIDENT FITZGERALD: Do you want to withdraw the amendment?

MR. MCCULLOUGH: I'll withdraw the amendment so this can go back to committee.

PRESIDENT FITZGERALD: The amendment is withdrawn. So now all we have is a clear bill and then we can make the motion to send it back to committee. Okay. So we have a motion to send it back to committee by Mr. Martoni. We have a second. Mr. Robinson?

MR. ROBINSON: I believe this bill has been amended twice. When it goes back to committee, it goes back amended twice.

PRESIDENT FITZGERALD: It's actually been amended in committee as well.

MR. FINNERTY: It's been amended in committee. This is the third amendment.

MR. ROBINSON: Whatever. If it goes back it goes back, it goes back with the two amendments we passed tonight.

PRESIDENT FITZGERALD: Yes. And that's everybody's understanding.

MR. MARTONI: It could still come out altogether differently; okay?

PRESIDENT FITZGERALD: Can I do a voice vote on this, Jack, or do we need ---? All in favor of sending it ---.

MR. DROZD: Do we get discussion on the motion? I can't comment about the amendment?

PRESIDENT FITZGERALD: I think, Matt, we're going to do all the amendments in committee.

MR. DROZD: Okay.

PRESIDENT FITZGERALD: All in favor of sending the bill back to committee signify by saying aye.

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? Motion carries. The bill will be referred back to the Economic Development and Housing Committee. And I would ask all members who have amendments to please give them to Mr. Finnerty as soon as they can so they be circulated and looked at by the entire committee and then obviously back to the full Council. Liaison reports. Mr. Ellenbogen, I'm sorry.

MR. ELLENBOGEN: No, it's already back. I'm not going to waste everybody's time.

PRESIDENT FITZGERALD: I'm sorry?

MR. ELLENBOGEN: You let the County Manager talk ahead of me.

MR. FUTULES: He left, so you can talk all you want.

MR. ELLENBOGEN: I'll reserve my comments for when it goes back to committee. But the protocol is you should let a Councilman speak before you call the County Manager up to the podium; am I correct?

PRESIDENT FITZGERALD: You're correct. What happened was he said I think --- we diverted to the Chair.

MR. ELLENBOGEN: Wait a minute, sir. You let other Councilmen speak after that.

MR. FUTULES: What do you want to say?

MR. ELLENBOGEN: No, I don't want to say anything. I just want to say if you're going to do protocol, do it right. Otherwise, I'm going to interrupt you.

MR. FUTULES: Do you want him to apologize to make it all better?

MR. ELLENBOGEN: I want Nick to apologize.

MR. FUTULES: I'll apologize.

PRESIDENT FITZGERALD: Let me --- just real quick, Mr. Ellenbogen. At that point we weren't talking about the merits of the bill or the merits of the

amendments or the merits of selling it, not selling it, the Health Department. It was really procedure about how Mr. McCullough would withdraw his amendment and how he could go back to committee once the Chairman indicated he had some questions. I diverted to the Chair because he chaired the committee. And once he indicated he was amenable to working with the Administration, that was all. I didn't mean to cut you off or Mr. Drozd or others.

MR. ELLENBOGEN: Mr. President, I'm not trying to admonish you. I'm just saying that I wanted to call the County Manager to the podium and I had a couple questions for him and then you were eager to call him up here without me at least requesting him. So all I'm asking is, you know ---.

PRESIDENT FITZGERALD: If you want to bring him up, I will do so.

MR. ELLENBOGEN: No, no. I'm fine.

PRESIDENT FITZGERALD: As a courtesy we'll ---.

MR. ELLENBOGEN: No, and I appreciate that. I'm just saying at the time I wanted to ask him something, but, you know, I don't now.

MR. MARTONI: Jim, I think he's a very unique person. He knows how to read our minds.

MR. ELLENBOGEN: Well, actually, to be honest with you, the County Manager did kind of express what I was going to ask him. So being other than that, he's clairvoyant. But the point is he didn't let me call him up to the table.

MR. BURN: He wanted to do it first.

PRESIDENT FITZGERALD: Mr. Drozd?

MR. ELLENBOGEN: Right. I wanted to do it first.

PRESIDENT FITZGERALD: Would you make a note into the record that it was Mr. Ellenbogen who asked that question first so we can --- and that's why we went back ---. Mr. Drozd?

MR. DROZD: There's an old military term, struck. One thing that concerns me about this, we're only talking Economic Development. This is the health and welfare of the people of Allegheny County. I think when we heard this in Economic Development, we heard all things in the economics of it, but what we didn't hear was from the Health Department itself. We didn't hear how it's going to affect the population that we serve. This is a very critical building. I think this bill needs to not

only go to Economic Development. I think it needs to go to Health and Human Services. It's very critical that we hear from the Health Department before making any decisions on this.

PRESIDENT FITZGERALD: We're going to go back to Economic Development. I'll leave it up to the Chair who he wishes to bring in and talk to. But I'd make that request to Mr. Finnerty.

MR. DROZD: Thank you.

PRESIDENT FITZGERALD: Liaison reports. Any liaison reports this evening? Mr. Gastgeb?

MR. GASTGEB: Thank you, President Fitzgerald. I'm the liaison to the Regional Asset District, the RAD. And just by way of the schedule that they're on, their plan is to release their preliminary appropriation budget by September 29th. And then through the month of October, they'll release it and the public can comment on that as well as elected officials by the end of October. And then their goal is to have their budget in place by law by December 1st. So I would encourage anybody that sees something in the Regional Asset District, good or bad --- the time to go down to their office and make your voice heard through public comment would be towards the end of October. Because obviously, that would be very easily looked at by way of the ER.

I will say there is something in the RAD District budget potentially that will affect this County, our County Council as a body and the County Council districts that we serve, and that's the appropriation recommendation that ACLA, the Allegheny County Library Association, has made to the RAD Board. There's a swing of \$250,000 from libraries losing money versus last year to libraries gaining, seemingly a large number.

However, one of my primary concerns has been the Regional Asset District was created so that the one percent sales tax we all pay here funds entities such as libraries. Well, with the libraries losing as much as \$170,000 appropriation from last year to this year, some towns may have to dip into their property taxes. That's exactly why the RAD District, was created so that wouldn't happen. So now we're going back to say we use property taxes to fund regional assets. That runs counter to the state statute. So I do think there's a problem there. I think the RAD Board knows about it. And I will say with

all due respect that I see that recommendation proposal going back to ACLA for them to work on again. Thank you.

PRESIDENT FITZGERALD: Thank you. I have a couple this evening. First of all, we had --- last week this County hosted NACO, the National Association of Counties, who came into town. It was kind of a mini convention nationwide. And the Chief Executive hosted it and took these county commissioners on a tour. And I was invited to go along as President of this Council and was proud to do so. And I have to tell you, to see this County through the eyes of outsiders, particularly from outsiders who --- we hear people are probably doing a lot better than us, places in Texas and Arizona and Atlanta, Georgia --- to see how impressed they were at the development and the way this County has remade itself.

And obviously, with the G-20 coming here this week, I think that's something we all should take a great deal of pride in as Pittsburghers over what we've gone through over the last 25 to 30 years, that the President of the United States would single out Pittsburgh and Allegheny County as an example of rebirth and re-growth of the new economy. So also, they were so impressed --- the NACO, they were so impressed that they voted to hold their national convention in 2012 here in Allegheny County, so there's going to be a great influx of tourism dollars when that occurs.

I also wanted to take note that the Chief Executive, in his budget address tonight, highlighted Marcellus Shale as a line item he's going to be putting in the budget for real revenues. And I think this Council could take an awful lot of credit for that. We've been really pushing that in our Government Reform Committee, holding a series of meetings.

And to further that, we also have been pushing a trial of some sort with CNG buses, compressed natural gas buses with the Port Authority. And hopefully that may be moving forward as well. So some of the work that this Council has been doing, both through the committee process and at large, has been moving this County forward and this government forward. So I think it's something we can take a great deal of pride in. Any other liaison reports this evening? Seeing none, moving on, new business, ordinances and resolutions, 5110-09.

MR. CATANESE: An ordinance of the County of Allegheny, Commonwealth of Pennsylvania, amending the

Administrative Code of Allegheny County, Article 307, entitled Operations of County Council, 307.08 entitled Conduct of Business, in order to provide for the attendance of the Chief Executive at regular County Council meetings on a quarterly basis. Sponsored by Council Members Robinson, Cleary, Drozd, McCullough and Martoni.

PRESIDENT FITZGERALD: And add me as a cosponsor on that as well. Mr. Robinson?

MR. ROBINSON: Thank you, Mr. President and members of Council. I believe that this piece of legislation will accommodate this Council in having a more transparent, substantive dialogue with the Chief Executive. The law presently allows Council to request the Chief Executive's appearance before this body, and he has been very gracious with his time in the past. But I think it would serve us best to make sure that any chief executive needs to come over to County Council so we can share what the future of this County is going to be, and that we do that in such a way that the issues that are important to the people in this County are discussed in a public setting. In that regard, at the appropriate time, I'm going to make a motion to waive the second reading so that this bill can get on tonight's agenda and we can deal with this issue immediately.

MS. CLEARY: Second.

MR. ELLENBOGEN: Mr. President, would you add me?

PRESIDENT FITZGERALD: Please add Mr. Ellenbogen, Mr. Finnerty, Ms. Green. And let me comment. I think it does make a lot of sense, and it codifies what is already in the Home Rule Charter, which calls for the County Executive to come here quarterly. I obviously called him here tonight. I thought it was an excellent exchange on both topics. But I think it is something we need to do a little more often. Any one of us could do it. I've certainly probably done it more than anybody with this chief executive and the previous chief executive. But you have it in the Administrative Code. I think also, it makes a lot of sense. It codifies it and it just takes it further so that we actually can put it on the schedule and have this exchange, again, a positive exchange, just like the one we had tonight. So you made a motion. Is that a motion to waive the second reading, Mr. Robinson?

MR. ROBINSON: Yes, Mr. President.

PRESIDENT FITZGERALD: Okay. Mrs. Cleary seconded it. I'm just going to do a voice vote, unless there's any discussion, just on the waiver. And then we can have a discussion on the bill. All in favor of waiving the second reading, signify by saying aye.

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? The motion carries. The second reading having been waived, place the item on the ---. We don't need to do that. We can discuss the bill as a vote. Mr. Robinson, do you wish to make a motion to pass?

MR. ROBINSON: Move for approval.

(Chorus of seconds.)

PRESIDENT FITZGERALD: Moved, second. Discussion? Mr. Gastgeb?

MR. GASTGEB: Yes. Just indulge me, if you will, for a second because I'm not sure about Mr. Fitzgerald, but I think I've used this a couple times, at least two, to my knowledge, to ask Mr. Onorato to come. And I think we saw tonight, it was a great exchange of ideas and really, I think, in a bipartisan way, working for the taxpayers. In the past, I think it was always more --- you know, if something happened, Mr. Onorato, let's try to get him. And this is a most inopportune stage for something like that and really is a foolhardy reason. So I think tonight we see what's it like to have elected officials really talking publicly about good ideas. So Mr. Robinson's amendment does --- ordinance does clarify.

However, one thing I'd like to bring up to my colleagues, we've always --- including myself. But some of my colleagues were really exposed to the strong executive/weak council. When we have ideas for CDBG funding, we acquiesce that power to the Executive. Mr. Robinson himself, to speak of sponsoring, has come through with numerous Port Authority ideas that would almost do the same thing. And I'd ask that --- you know, it's all part of the reason we pass on that. So I'm really hoping that by having this exchange in our chamber, by having --- let's look at our budget much more critically, we start to take some things that are legitimate to us in the Home Rule Charter and keep it in our house. Thank you.

PRESIDENT FITZGERALD: Please call the roll on 5110-09.

MR. CATANESE: Mr. Burn?
(No response.)
MR. CATANESE: Ms. Cleary?
MS. CLEARY: Aye.
MR. CATANESE: Mr. DeFazio?
MR. DEFAZIO: Yes.
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: Ms. Green?
MS. GREEN: Aye.
MR. CATANESE: Mr. Macey?
(No response.)
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: 5111-09.

MR. CATANESE: An ordinance of the County of Allegheny, Commonwealth of Pennsylvania, authorizing the County Controller and Division of Purchasing and Supplies to conduct an Internet auction of the contents of the County Warehouse and former Coroner and Crime Lab equipment and furniture. Sponsored by the County Controller.

PRESIDENT FITZGERALD: Refer to Committee on Government Reform. 5112-09.

MR. CATANESE: An ordinance of the County of Allegheny, Commonwealth of Pennsylvania, permitting PGH Productions, Incorporated to use certain County-owned real property in connection with filming a motion picture. Sponsored by the Chief Executive.

PRESIDENT FITZGERALD: Refer to Committee on Government Reform. 5113-09.

MR. CATANESE: A resolution of the County of Allegheny amending the Grants and Special Accounts Budget for 2009, Submission 16-09. Sponsored by the Chief Executive.

PRESIDENT FITZGERALD: Refer to Committee on Budget and Finance. New business, motions. Councilman DeFazio?

MR. DEFAZIO: Yes. Jared, do you have copies of the ---?

MR. BARKER: I do, but there were a couple of other business items appearing and resolutions ---.

PRESIDENT FITZGERALD: I'm sorry. Before we go into new business, motions, we were given tonight the summary of legislation dealing with the four budget items, dealing with the taxation limits, the operating budget, the capital budget and Grants and Special Accounts budget. And I just want to entertain a motion --- Jack, do I need to do --- we need to do these individually to place these on the agenda?

MR. CAMBEST: Go ahead.

PRESIDENT FITZGERALD: Individually. Okay. I'm going to ask for a motion dealing with the taxation of real property of Allegheny County, to place it on the agenda.

MR. MARTONI: So moved.

(Chorus of seconds.)

PRESIDENT FITZGERALD: Moved, second.
Discussion on placing it on the agenda?

MR. GASTGEB: For tonight?

PRESIDENT FITZGERALD: Just for tonight. It's going to refer to committee. All in favor of placing it on the agenda, please signify by saying aye.

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? The motion carries. Please refer the bill to Budget and Finance. Number two is the operating fiscal year 2010 budget. I'm going to ask for a motion to place it on the agenda.

MR. FINNERTY: I make that motion.

(Chorus of seconds.)

PRESIDENT FITZGERALD: Moved, second. Any discussion on that? All in favor signify by saying aye.

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? The motion carries. Please place the item on the agenda. Refer to Budget and Finance. Adopting a capital budget for fiscal year 2010. Do I have a motion to place this item on the agenda?

(Chorus of motions.)

PRESIDENT FITZGERALD: Moved.

(Chorus of seconds.)

PRESIDENT FITZGERALD: Second. Any discussion?

MR. GASTGEB: Discussion.

PRESIDENT FITZGERALD: Mr. Gastgeb.

MR. GASTGEB: Just real quick. I'm not sure if anyone can answer this, but the Executive made mentions of a \$30 million increase in the capital budget, of which the majority was driven by stimulus money. Is the stimulus money listed in here for the first time?

PRESIDENT FITZGERALD: I'm going to ask Mr. Flynn if he could ---. I don't know if he's seen this.

MR. GASTGEB: My question is will the stimulus money be coming after the fact, specifically? I know the \$92 million is in here as entitlement. Are all the stimulus projects in here at this point or will we be getting them --- hopefully not in December?

PRESIDENT FITZGERALD: Would that be under reimbursements or is that in here?

MR. FLYNN: The stimulus funding will come in as other reimbursements.

PRESIDENT FITZGERALD: Not listed here tonight?

MR. FLYNN: It should be listed in the --- I don't know what you're looking at, Councilman.

MR. GASTGEB: We're looking at specific projects that are capital-related. So my question is, will that \$30 million influx be designated so we know exactly what projects they are versus to say \$30 million in projects?

MR. FLYNN: Yes. In the capital --- Comprehensive Fiscal Plan is a detailed listing of all projects within their regular setting. So if it's roads and bridges, it will show what that financing is.

MR. GASTGEB: Even stimulus? The stimulus money's relatively new.

MR. FLYNN: Yeah, they would be in there. If we were anticipating getting them, they'd be in the budget.

MR. GASTGEB: Okay. I just want to make sure we're not going to get them at the last second, you know.

MR. FLYNN: No. They're in this budget.

MR. GASTGEB: Thank you.

PRESIDENT FITZGERALD: Mr. Catanese, would you read this bill?

MR. CATANESE: This first one first?

PRESIDENT FITZGERALD: Yes. Do the others ---.

MR. CATANESE: Bill Number One is an ordinance of the County of Allegheny, Commonwealth of Pennsylvania, establishing the tax levy upon all real property subject to taxation within the limits of Allegheny County.

PRESIDENT FITZGERALD: Number Two, operating budget.

MR. CATANESE: A resolution of the County of Allegheny, Commonwealth of Pennsylvania, adopting an operating budget pursuant to Article IV, Section 2 and Article VII, Section 4 of the Home Rule Charter, by setting forth appropriations to pay the expenses of conducting the public business of Allegheny County and for meeting debt charges for the fiscal year beginning January 1st, 2010 and ending December 31st, 2010.

PRESIDENT FITZGERALD: Three, the capital budget, would you read that?

MR. CATANESE: Resolution of the County of Allegheny, Commonwealth of Pennsylvania, adopting a capital budget pursuant to Article IV, Section 2 and Article VII, Section 4 of the Home Rule Charter, by setting forth appropriations to pay the expenses for capital expenditures during the fiscal year beginning January 1st, 2010 and ending December 31st, 2010.

PRESIDENT FITZGERALD: Okay. We've got a motion and a second to place this on the agenda. All in favor of placing the capital budget on the agenda signify by saying aye.

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? The motion carries. Please refer to Committee on Budget and Finance. And then the final one is a motion asking for the Grants and Special Accounts Budget for 2010. Do I have a motion to place it on the agenda?

MR. MARTONI: So moved.

PRESIDENT FITZGERALD: Moved, second. Please, Mr. Catanese, would you read it?

MR. CATANESE: Resolution of the County of Allegheny, Commonwealth of Pennsylvania, adopting the Grants Budget, Special Accounts Budget and Agency Fund Budget by setting forth appropriations to pay said

expenses during the fiscal year beginning January 1st, 2010 and ending December 31st, 2010.

PRESIDENT FITZGERALD: Any comment? All in favor of placing it on the agenda signify by saying aye.

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? The motion carries. Please place the Grants and Special Accounts Budget on the agenda and refer to the Committee on Budget and Finance. Now, Mr. DeFazio.

MR. DEFAZIO: Yes. I have a sense of Council motion that Jared is passing out now. I'll wait until everyone gets it. Okay. I have a sense of Council motion urging Shubh Hotels, owner of the Downtown Pittsburgh Hilton Hotel, to bargain with the employees through their designated collective bargaining representative.

WHEREAS, the Pittsburgh Hilton Hotel has a longstanding relationship with Unite Here Local 57, the union representing approximately 90 percent of the Hilton's workers.

AND WHEREAS, Unite Here is an amalgamated union of 265,000 hotel, restaurant and textile workers and represents roughly 1,500 hospitality workers in the Pittsburgh area.

AND WHEREAS, the relationship between the Pittsburgh Hilton Hotel and its employees, through their designated collective bargaining representative, has proven beneficial to the hotel, its employees and the region.

AND WHEREAS, the relationship is also an important aspect of what makes Hilton Hotel a valuable asset to Pittsburgh.

AND WHEREAS, Council wishes to encourage the hotel's ownership to continue this relationship with the representative chosen by the employees.

NOW, THEREFORE, BE IT MOVED, and it is the sense of the Council of Allegheny County urging Shubh Hotels, owner of the Downtown Pittsburgh Hilton Hotel, to honor the longstanding relationship with its employees through their designated collective bargaining representative in order to ensure that the organized labor continues to be part of the Hilton Hotel's future.

What we're trying to do is make sure that they deal fairly with the hotel workers. And hopefully the rest of the Council feels the same way I do on this.

PRESIDENT FITZGERALD: Is that a motion to approve?

MR. DEFAZIO: Yes, that's a motion.
(Chorus of seconds.)

PRESIDENT FITZGERALD: Moved, second.
Discussion? Mr. McCullough.

MR. MCCULLOUGH: Do you have any particular concern here? I mean, is there some sort of movement afoot to decertify the union? I mean, what's giving rise to this?

MR. DEFAZIO: Well, I guess there's been some slowness in trying to get an agreement here. And I guess anything we can do to help, I guess, if you're looking to get your contract settled, and it always helps to have Council and everybody else behind these employees hopefully to get them working together like they did in the past.

MR. MCCULLOUGH: So how long has the contract ---? Are they working without a contract presently? Is that what's going on?

MR. DEFAZIO: We have representatives here, but I'm not 100 percent sure. I think their contract expired.

PRESIDENT FITZGERALD: Is there anybody here that maybe can speak to that? I don't know if there is.

MR. MCCULLOUGH: That would be helpful. I'd like to hear that.

PRESIDENT FITZGERALD: Do you want to come to the podium so everybody could ---?

MR. MCCULLOUGH: I wondered why these people were here. Now I understand.

PRESIDENT FITZGERALD? They came to hear the Chief Executive. No. I also want to make sure that people know that this was not on the agenda. It's sponsored by Members DeFazio, Burn, Green, myself and Councilman Finnerty. Would you identify yourself, please?

MR. LEVIT: My name is James Levit (phonetic). I'm a banquet chef for the Hilton Hotel.

PRESIDENT FITZGERALD: Okay. Mr. Levit, if you could answer the question.

MR. LEVIT: What's the question?

MR. DEFAZIO: The question is, are you guys ---? Did your contract expire?

MR. LEVIT: Our contract expired a year in October.

MR. DEFAZIO: A year ago?

MR. LEVIT: Yeah. The problem is the hotel is currently owned by Mr. Bisaria down in Florida. And he --- I guess he's not a good owner. It's being bought by ---. Right now, they're saying that some of his friends down in Florida are going to buy it, Jay Lawanni (phonetic). And we're trying to make sure that we have this Board behind us to maybe keep the bargaining agreement we have until next October, we keep the same wages and the same salary, because we're not sure they are. I mean, as an example, like, for the past six to eight months, Mr. Bisaria has taken out of our paychecks \$40 a month for union dues, approximately \$50 a month for health insurance. And it's not being forwarded to our health insurance corporation, and the union dues are not being forwarded.

MR. DEFAZIO: You can't do that without a union.

PRESIDENT FITZGERALD: We're not going to negotiate the contract, Mr. Levit.

MR. LEVIT: Yeah, I understand. But we're saying, this is an example why we don't trust --- he's got his friend buying the hotel. We don't want them ---.

MR. DEFAZIO: Well, first of all, let me say this. If they're taking union dues out, that's your money. Your representative or your legal people should get on it because if they take that out, they have to give that to the union. They just can't hold onto that money.

MR. LEVIT: That's not happening. And we don't have representation in the hotel. We spoke up and told them. And we have a list of employees --- 90 percent of the employees are from Unite Here. And a couple months ago, all of a sudden, SEIU, the Workers United Union, they were supposedly ---. That's who the hotel is dealing with. And like, only ten percent of our employees are there.

PRESIDENT FITZGERALD: We're not going down that road. This motion talks about making sure that your --- Councilwoman Green is one of the co-sponsors.

MS. GREEN: Thank you, Mr. President. I'm going to say I think that this is ---. All this has to do with is asking the employer, the current employer, to bargain with the designated collective bargaining representative.

MR. LEVIT: Yes.

MS. GREEN: It's that simple. It's not about a decertification petition. It's not about anything else. It's just about following the law under Section 885 of the

National Labor Relations Act to bargain with these people. Do that. That's all we're asking.

MR. LEVIT: Yes, that's what we're saying. We were just bringing the examples here. We don't trust them.

MR. DEFAZIO: You should talk to your top union representative. It sounds like you have some other problems. We're behind you. We want to get you together ---.

PRESIDENT FITZGERALD: We want to let you know that Council is supporting ---.

MR. LEVIT: We would like to thank you for that support.

PRESIDENT FITZGERALD: Well, we're not sure yet. Mr. Drozd? The votes aren't in yet. Mr. Drozd then Mr. Martoni.

MR. DROZD: To protect these people, a year ago, it says, the bargaining --- the owner, the current owner. I think it has to be amended to say owner and prospective owners. Thank you.

PRESIDENT FITZGERALD: Ms. Green, do you think that's something we need to change? Do you want Mr. Barker to ---?

MS. GREEN: Well, I don't have enough information to make that leap, because that depends on a successorship clause, perhaps, in the agreement. Of course, I would be supportive of a successor bargaining with the designated representative at this point. But what he's talking about is assuming the current collective bargaining representative --- I'm sorry --- assuming collective bargaining agreement as it is. And that I can support, but legally --- you know, that has to do with successorship language. And we don't have that here.

PRESIDENT FITZGERALD: Mr. Martoni?

MR. MARTONI: Rich, I'd like us just to vote on this. This seems to be the right thing to do. This guy in Florida is taking advantage of us people in Pittsburgh. He's probably getting sun right now, enjoying himself. Okay? So if we can slap him in the face, I'd like to do that.

PRESIDENT FITZGERALD: Ms. Green and Mr. McCullough.

(Applause.)

MS. GREEN: I would like to say I don't have a problem amending it to include in any successor employer as well.

MR. MCCULLOUGH: I think you better.

MS. GREEN: Do we have to get that written up?

MR. LEVIT: That is part of our problem.

PRESIDENT FITZGERALD: We're not going there. That's okay. Do you have a spokesman? Can we make a motion, Jack, to just change that? We don't have to have it written up. We can just say that. We've done that in the past. Okay. Yes, you have to --- would you say --- add that clause?

MS. GREEN: I would --- the last paragraph, I make a motion to amend it to say, now, therefore, it is moved, and it is the sense of the Council of Allegheny County urging Shubh Hotels, LLC, owner of the downtown Pittsburgh Hilton Hotel, and any successor employer or owner, to honor the longstanding relationship with its employees through their designated collective bargaining representative in order to ensure that organized labor continues to be a part of the Pittsburgh Hilton Hotel's future.

MR. MARTONI: I'll second it.

MS. GREEN: Thank you.

PRESIDENT FITZGERALD: Second. So the motion is to add the term --- quotation, and any successor owner. And then the rest is ---?

MS. GREEN: Or employer.

PRESIDENT FITZGERALD: Or employer. Do we have a motion to amend the amendment?

(Chorus of motions.)

PRESIDENT FITZGERALD: Do we have a second?

(Chorus of seconds.)

PRESIDENT FITZGERALD: Let's do a voice vote. All in favor signify by saying aye.

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? The motion carries on the amendment. Now on the motion as amended ---. I'm sorry. Mr. McCullough. Yes, I got distracted.

MR. MCCULLOUGH: Okay. I wanted to know what was going here, because when you read this --- it was astounding to me to hear --- or to have verification what I thought you were saying, which is they're just kind of ignoring you. I mean, that's what I'm getting out of this; is that correct?

MR. LEVIT: Yes.

MR. MCCULLOUGH: And my other observation is you're going to have to have the successor ---. Let me understand this. This is the same bird that has the hotel in the state of disrepair that we see when we come off the bridge that all these world leaders are going to see when they come into town? Okay. I'm happy that's been suggested. It not only will notify him and the possible successor owners, but to send this to Paris Hilton, dig up Conrad Hilton and any other Hiltons we can find. So I'm obviously in support of this.

MR. LEVIT: Yeah. Like I said, I'm sure you guys aren't getting all your money from them either, just like we aren't.

PRESIDENT FITZGERALD: Ms. Cleary?

MS. CLEARY: I just want to be added as a co-sponsor.

PRESIDENT FITZGERALD: Please add Ms. Cleary as a co-sponsor.

MR. MCCULLOUGH: Put me on too, please.

PRESIDENT FITZGERALD: And Mr. McCullough. Add Mr. Robinson as a co-sponsor. Anybody that does not want to be added as a co-sponsor?

MR. MARTONI: Put everybody on it.

PRESIDENT FITZGERALD: Put everybody on it. Now we've got the discussion. All in favor signify by saying aye.

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? The motion carries.

MR. LEVIT: Thank you.

PRESIDENT FITZGERALD: Any other business before this Council this evening? Mr. McCullough.

MR. MCCULLOUGH: I have one that I just want to pass out. I'm not going to request any action on it tonight. I'll formally introduce it at the next Council meeting. I'm not going to ask it to be added. This is the sense of Council motion that I discussed with the Chief Executive. This is basically a way to get around having to do property assessments. It would require changing State law, really, as an option under State law. I think this is about the most simple, straightforward thing for the State Legislature to do to provide property assessment relief across the state. And I'll go into it further, but I just want everybody to see this because I

am going to ask that it be acted upon at the next Council meeting because I think this is important to have in hand prior to the 19th of October.

PRESIDENT FITZGERALD: Mr. McCullough, we have a scheduled meeting on October 1st, Government Reform, which we're dealing with the terrorism, the State-sponsored terrorism bill and a couple other ones. We can discuss that again.

MR. MCCULLOUGH: You're telling me you're going to have ---?

PRESIDENT FITZGERALD: Yes, we'll bring it back out.

MR. MCCULLOUGH: I'd like that more than anything, the Government Reform.

PRESIDENT FITZGERALD: Since it's a motion, we don't need to place it on the agenda, but refer this to the Government Reform Committee. And then put it on the October 1st agenda.

MR. MCCULLOUGH: Thank you.

PRESIDENT FITZGERALD: Any other business before this Council this evening? We have some speakers ---. public comment on general items. We have actually a number of speakers this evening, starting with Cindy Waeltermann. Is Cindy here?

MR. CATANESE: Excuse me, Mr. President. Do you want to just do 5114?

PRESIDENT FITZGERALD: Oh, I'm sorry. Yes, I skipped that. I'm sorry. 5114-09, notification of contracts.

MR. CATANESE: Communication from County Manager Jim Flynn submitting a summary of Executive Actions relating to contracts for the month of August, 2009. Sponsored by the County Manager.

PRESIDENT FITZGERALD: Do we have a motion to receive the file?

(Chorus of motions.)

PRESIDENT FITZGERALD: Moved. Second?

MR. MARTONI: Second.

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

(Chorus of ayes.)

PRESIDENT FITZGERALD: Opposed? The motion carries. Received in file the notification of contracts. Public comment on general items. Cindy Waeltermann? I don't see Cindy here. Kristin Liberato-Hartzell?

MR. MARTONI: You wore them out, Rich.

PRESIDENT FITZGERALD: Janet Smith? Moving along here. Shayen George? Shayen (changes pronunciation) George? Did I pronounce that right? Lester Ludwig? I don't see Mr. Ludwig here this evening. James Cobert (phonetic)? And the final one, Reggie Walsh. Mr. Walsh is here. You were almost --- were that close. Go ahead.

MR. WALSH: Good evening, Council. I actually was going to talk about the proclamation of the Hilton, but you all took care of that. So I just want to say thank you.

PRESIDENT FITZGERALD: Okay. You're welcome. (Applause.)

PRESIDENT FITZGERALD: Any further business before this Council? Before we adjourn, I'd like --- I'm sorry. Mr. McCullough?

MR. MCCULLOUGH: I just have a human interest item. It's on a personal note to me, actually. This I saw in today's Post-Gazette. There was an article about Nikita Khrushchev coming to Homestead and touring the Mesta Machine Plant 50 years ago today. There's a picture there, and I'll pass this around. Standing two behind Khrushchev is my father, who was there. He was the chief planning engineer of Mesta. He was part of the official welcome party, if you want to call it that. And I recall him telling me stories about it. But one of the interesting sidelines was --- much of what my dad told me was reiterated in the article. But my father also had Khrushchev's son, and interestingly enough, Khrushchev's son made my dad a medallion with a Dove of Peace on it. And in consideration of that, my dad gave him my father's rosary beads. So I thought it was an interesting personal interest item, and I thought it might be nice here. Thank you.

PRESIDENT FITZGERALD: And let's hope it brings peace this week as we --- as the world converges on this town. Finally, I'll make an announcement that we will be holding an Executive Session in the back to discuss the ongoing court case dealing with property assessments with our Solicitor. With that, do I have a motion to adjourn?

(Chorus of motions.)

PRESIDENT FITZGERALD: Meeting adjourned.

MEETING ADJOURNED AT 7:10 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.

Valerie Gregory
Court Reporter