

ALLEGHENY COUNTY COUNCIL

REGULAR MEETING

- - -

BEFORE:

Dr. Charles J. Martoni	-	President, District 8
Nicholas Futules	-	Vice President, District 7
John P. DeFazio	-	Council-At-Large
Heather S. Heidelbaugh	-	Council-At-Large
Matt Drozd	-	District 1
Jan Rea	-	District 2
James R. Burn, Jr.	-	District 3
Michael J. Finnerty	-	District 4
Vince Gastgeb	-	District 5
John F. Palmiere	-	District 6
Robert J. Macey	-	District 9
William Russell Robinson	-	District 10
Barbara Daly Danko	-	District 11
James Ellenbogen	-	District 12
Amanda Green Hawkins	-	District 13

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

Tuesday, July 3, 2012 - 5:00 p.m.

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

IN ATTENDANCE:

Joseph Catanese - Director of Constituent Services
Jared Barker - Director of Legislative Services
Walter Szymanski - Budget Director
Jack Cambest - County Solicitor

PRESIDENT MARTONI: Please rise for the invocation, and remain standing for the Pledge of Allegiance.

(Pledge of Allegiance.)

(Moment of silent reflection.)

PRESIDENT MARTONI: Please be seated. Roll call.

MR. CATANESE: Mr. Burn?
MR. BURN: Here.
MR. CATANESE: Ms. Danko?
MS. DANKO: Here.
MR. CATANESE: Mr. DeFazio?
MR. DEFAZIO: Here.
MR. CATANESE: Mr. Drozd?
MR. DROZD: Present.
MR. CATANESE: Mr. Ellenbogen?
MR. ELLENBOGEN: Here (via telephone).
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 Hawkins?
MS. GREEN HAWKINS: Present.
MR. CATANESE: Ms. Heidelbaugh?
MS. HEIDELBAUGH: Here.
MR. CATANESE: Mr. Macey?
MR. MACEY: Here.
MR. CATANESE: Mr. Palmiere?
MR. PALMIERE: Here.
MR. CATANESE: Ms. Rea?
MS. REA: Here.
MR. CATANESE: Mr. Robinson?
MR. ROBINSON: Present.
MR. CATANESE: Mr. Martoni, President?
PRESIDENT MARTONI: Here.
MR. CATANESE: Fifteen (15) members present.
PRESIDENT MARTONI: Proclamations/

Certificates. 7046-12.

MR. CATANESE: Proclamation commending the Municipality of Mt. Lebanon for its work to establish a Veterans Memorial in Mt. Lebanon. Sponsored by Council Member Gastgeb.

PRESIDENT MARTONI: Vince?

MR. GASTGEB: Thank you, President Martoni, and my fellow Council members. If I could have Dan Gigler come up. It's pretty appropriate, I feel, that we're going into July 4th actually tomorrow. And I was able to attend an event that Mt. Lebanon had, and really, I think it was --- I'd say somewhere a long time in the making, a lot of planning that took place over a period of years, actually, by a good many people in the community. I was able to be part of some of those early meetings, as well as my father, who's also a Marine. And when I was there over Memorial Day weekend, I was saying it's just a beautiful Veterans memorial. And I think what makes this unique --- and I'm blessed in my Council district to have a town to be able to put this up and have the community support to do so. But Duquesne Light is involved as a major sponsor to the project.

And the uniqueness of this beautiful memorial is that there's a light coming from different angles. And having the event roughly at dusk, I would say, or at least it ended at dusk, you really saw the beauty of the whole Veterans Memorial, with the light and the dusk. And it was kind of rain --- it was particularly rain, but it had this cloud, which added more of a great picture, if you will, to the whole evening. As Dan and I were talking about, what happens is, when you have an event like that and you recognize the real heroes of your town, you hear stories, and they're good stories.

And there's a gentleman and you recognize him here in this chamber, Bullet Bob Daley, who is a World War II veteran. And the stories, you know, will curl your hair or make you bring out a handkerchief, the things that he's done as a young 17, 18 year old in World War II. And you start to look at who the real heroes of our community are. But I think that's hallmark in what type of ceremony this was, what kind --- type of people come out and the type of fellowship that you get. So I thought it was appropriate to keep it going for the next patriotic holiday that we have, which is July 4th, and really, every day. And I really congratulate the good citizens of Mt. Lebanon for putting such a beautiful Veterans Memorial together. So I'm going to read the proclamation and Dan is going to say a few words when it's over.

WHEREAS, in 2009, a World War II veteran and a long-time Mt. Lebanon resident, Jack Howard, presented an

idea of establishing a Veterans Memorial to the Mt. Lebanon Commissioners; and

WHEREAS, former Mt. Lebanon Commissioner Dan Miller, and the late Dale Colby, took up Mr. Howard's cause and organized the Veterans Recognition Committee, chaired by Wallace Workmaster. The committee provided and approved the site selection in the Mt. Lebanon Park on Morgan Drive and a --- selected a design submitted by the Pittsburgh architecture firm of Loysen and Kreuthmeier. The fundraising campaign was led by former Mr. Lebanon Commissioner Dan Gigler, and decorated Vietnam War veteran and Pittsburgh Steeler running back and Mt. Lebanon resident, Rocky Bleier; and

WHEREAS, many individuals and organizations and companies contributed to the campaign and more we received, plus the \$500,000, including a lot of it by the community of Mt. Lebanon; and

WHEREAS, on Memorial Day 2012, a planned Mt. Lebanon Veterans Memorial was dedicated by the Municipality of Mt. Lebanon, to honor all Mt. Lebanon veterans and to commemorate the United States service members from Mr. Lebanon who died during the conflicts during World War I, World War II, Vietnam and all the conflicts that we've had.

NOW, THEREFORE, BE IT RESOLVED, that Allegheny County Council does hereby recognize the Municipality of Mt. Lebanon for its work in establishing Mt. Lebanon Veterans Memorial, dedicated to men and women who answered the call and those who worked and fought under the most trying of circumstances and those who gave their lives to the cause, too. Congratulations.

(Applause.)

MR. GIGLER: Thank you to the Councilman for recognizing the efforts of our community. I'm sure you would probably rather hear from Rocky Bleier, being that he couldn't be here today. This was truly a community-wide effort, and I do want to recognize for the record our architects, Peter Kreuthmeier and Karen Loysen, who brought to Mt. Lebanon a very, very unique plan that I hope you all at some point have an opportunity to see, especially at night. It's beautiful during the day, but at night --- one of the consultants who worked with our architects said what they were hoping to achieve was the feeling of being in a side chapel of a great cathedral. And that's what you have when you're there at night,

because the lights radiate out from the memorial representing all the men and women of our community, as well as our country, who have served in so many distant and faraway places, far away from home. We're very proud of the effort the community put forward. We're very proud of the finished project; as it is, really, just a beautiful monument. And we thank you for that recognition.

MR. GASTGEB: Thank you.

(Applause.)

(Pictures taken.)

PRESIDENT MARTONI: 7047-12.

MR. CATANESE: The remainder will be read into the record.

7047-12. Proclamation honoring Reverend Robert W. Strobel, upon the momentous occasion of his 50th anniversary of his ordination. Sponsored by Councilman Drozd.

7048-12. Proclamation congratulating the Girl Scouts upon the occasion of its 100th anniversary. Sponsored by Councilman Finnerty.

7049-12. Proclamation honoring Ms. Maude Goodman, of St. Luke Baptist Church, for her years of service. Sponsored by Council Member Robinson.

7050-12. Certificate of Recognition awarded to Mr. and Mrs. Ronald and Evelyn Harris, upon their 50th wedding anniversary. Sponsored by Councilman Macey.

7051-12. Certificate of Achievement recognizing Mr. Jordan Narr, for winning second place in the boys' division of the 89th National Marbles Tournament. Sponsored by Council Members Green Hawkins and Palmiere.

PRESIDENT MARTONI: Thank you. Public Comment on Agenda Items.

MR. CATANESE: We have none.

PRESIDENT MARTONI: Approval of Minutes. 7042-12.

MR. CATANESE: Motion to approve minutes of the May 15, 2012 regular Council meeting.

MR. GATSGEB: So moved.

MR. ROBINSON: Second.

PRESIDENT MARTONI: Moved in second. Question? All in favor?

(Chorus of ayes.)

PRESIDENT MARTONI: Opposed? So ordered. 7043-12.

MR. CATANESE: Motion to approve minutes of the June 5th, 2012 regular Council meeting.

MR. GASTGEB: So moved.

MR. ROBINSON: Second.

PRESIDENT MARTONI: Moved in second. Question? All in favor?

(Chorus of ayes.)

PRESIDENT MARTONI: Opposed? So ordered.

Presentation of Appointments.

MR. CATANESE: We have none.

PRESIDENT MARTONI: Unfinished Business.

Committee on Budget and Finance, Second Reading. 7034-12.

MR. CATANESE: A resolution of the County of Allegheny, amending the Grants and Special Accounts Budget for 2012 (Submission 12-8). Sponsored by the Chief Executive.

PRESIDENT MARTONI: Mr. Robinson?

MR. ROBINSON: Mr. President and members of Council, move for approval.

MR. MACEY: Second.

PRESIDENT MARTONI: Moved in second. Question? Roll call.

MR. CATANESE: Mr. Burn?

MR. BURN: Yes.

MR. CATANESE: Ms. Danko?

MS. DANKO: Aye.

MR. CATANESE: Mr. DeFazio?

MR. DEFAZIO: Yes.

MR. CATANESE: Mr. Drozd?

MR. DROZD: Yes.

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 Hawkins?

MS. GREEN HAWKINS: Aye.

MR. CATANESE: Ms. Heidelbaugh?

MS. HEIDELBAUGH: Yes.

MR. CATANESE: Mr. Macey?

MR. MACEY: Yes.

MR. CATANESE: Mr. Palmiere?

MR. PALMIERE: Yes.
MR. CATANESE: Ms. Rea?
MS. REA: Yes.
MR. CATANESE: Mr. Robinson?
MR. ROBINSON: Aye.
MR. CATANESE: Mr. Martoni, President?
PRESIDENT MARTONI: Yes.
MR. CATANESE: Ayes, 14, noes, 0. The bill

passes.

PRESIDENT MARTONI: Okay. 7038-12.

MR. CATANESE: An ordinance of the County of Allegheny, Pennsylvania, authorizing the incurrence of nonelectoral debt by the issuance of its, one, General Obligation Refunding Bonds, Series C-69, in an aggregate principal amount not to exceed \$62,745,000, at C-69 Bonds; and two, its General Obligation Bonds, Series C-70, in an aggregate principal amount not to exceed --- exceed \$130,335,000 (the Series C-70 Bonds and, collectively with the C-69 Bonds, the Bonds). Sponsored by the Chief Executive.

PRESIDENT MARTONI: Okay. On this particular 7038-12, the complexity of it, I'd like to pass the gavel to our financial person, Mr. Robinson. Sir, will you accept the gavel?

MR. ROBINSON: Yes, sir, under the condition, hopefully, that the gavel will be returned to you once this matter is concluded.

PRESIDENT MARTONI: I appreciate that. Thank you for that.

MR. ROBINSON: Thank you, Mr. President, and members of Council. Assuming the prerogative of the president on this particular bill, the Chair would like to announce that I will not be offering any motions as long as I'm holding the gavel.

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

MR. ROBINSON: We haven't got that far, Mr. Finnerty. I appreciate your concern; if you could just hold that, please. There's just a couple of other instructions I'd like to give to the members and some information. But if you'll hold that, I'll get back to you at the appropriate time.

MR. FINNERTY: Yes, sir.

MR. ROBINSON: Thank you. And I would like to ask Ms. Danko, as a member of the Budget and Finance

Committee, to stand ready to assist you or me in a similar regard.

MS. DANKO: Mr. Robinson?

MR. ROBINSON: Yes, ma'am.

MS. DANKO: Would you like me to make the motion to amend at this time?

MR. ROBINSON: No, ma'am.

MS. DANKO: Okay.

MR. ROBINSON: Thank you. But please stand ready to do so. Mr. Finnerty, I think, had perhaps usurped in silent anticipation you had. But that's okay. You can still be of assistance and so can he. What I'd like to do is set forth some parameters for us to move into a serious discussion of what, obviously, is going to be a major step for this county by way of offering a refinancing approach to some of our debt with an appropriate amendment.

Both Mr. Finnerty and Ms. Danko have anticipated that direction. But in keeping with a commitment I made to the Budget and Finance Committee, to Ms. Heidelbaugh, and a commitment I've always had to my colleagues, I want to make sure that everybody is fully informed before you vote on any amendments or any bill, as amended; or if you choose not to, that you're still fully informed. So in keeping with that, I want to identify some persons who will be available to myself, and I will ask them to direct their responses through me. And I'll make sure that the person asking the question gets the appropriate answer. I'm going to ask Mr. Charles Goodwin, who is representing Bank of New York Mellon, Capital Markets. He's our county financial advisor; if he would stand ready to approach the podium. Mr. Thomas Trimm, representing Pepper Hamilton, LLP, Bond Counsel for this particular issuance --- would also stand ready; Mr. Tony Massetti, representing PNC Capital Markets, lead underwriter for the issuance.

These are the gentlemen, along with their staff, who will put together for the county a proposal to refinance some of our debt. These are the parties that the Chair will recognize to give any technical answers. These gentlemen are not prepared, nor will they be allowed to speak on the issue of the policy of this county. The only people who can speak on policies set in this county are 15 members of this Council and the Chief Executive. I don't see the Chief Executive present, and I don't see anyone he has authorized to speak about policy. If

someone is present, they could so identify themselves if called upon. But the other parties in this room who are authorized to speak about policy in this county, whether we should or should not do this and what the rationale is, are the 15 members of this Council who are seated before us. Also, Mr. Warren Finkel is available, he's our Budget and Finance Director. Mr. Greg Casciato, our Budget and Finance Deputy Director. Those are the parties that will be able to answer the technical questions that members have; perhaps, to your satisfaction, perhaps not to your satisfaction. But unless there's someone else who can be identified to have the technical knowledge that these gentlemen have on this particular bond issue, the Chair will not recognize those parties. So please, if all members will be helpful and kind and considerate, the Chair will try to get you whatever information you need, so that you can make an informed vote, whatever that vote may be.

What I'd like to do now, unless there's an unreadiness from any member, is spell out for you how we're going to handle the questioning. Every member of this Council is entitled to ask questions.

MS. HEIDELBAUGH: Point of Order.

MR. ROBINSON: Go ahead.

MS. HEIDELBAUGH: Do we need a vote to pass the gavel?

MR. ROBINSON: No, ma'am.

MS. HEIDELBAUGH: Is there a --- can I have a ruling on that?

MR. ROBINSON: Prerogative of the Chair.

PRESIDENT MARTONI: I chose that because I'd just be passing it from me to him constantly. I thought, he's the Chair of the Finance Committee.

MS. HEIDELBAUGH: But he's also set the rules about who's allowed to speak and what they're allowed to speak on.

PRESIDENT MARTONI: Well, that's because of the particular report he's doing.

MR. ROBINSON: I will not be exceeding any authority that the president of this Council has. I have interpreted President Martoni's passing of the gavel to me, to be also the passing of the power of the gavel, the power that he had when he held the gavel. That's why I said once this matter is concluded I anticipate returning the gavel and all its powers to the president of this

Council. But while I'm holding the gavel, I will exercise every power that the president has transferred to me on a temporary basis, including those that Ms. Heidelbaugh just touched upon.

PRESIDENT MARTONI: Okay. Please carry on.

MR. ROBINSON: Thank you. Ms. Heidelbaugh, do you have another concern?

MS. HEIDELBAUGH: I have a concern that you, as a Chair of this Council, will prohibit people that will be taking the podium and answering the questions, from answering questions of members of Council, yes; because if you replicate the manner in which you do that in the Budget and Finance Committee, you will not be providing me with the commitment that you have stated you did to the citizens of Allegheny County and all Council members, that we're going to be able to have a full and fair opportunity to understand the ramifications of this legislation and to ask questions, because you prohibit that in the Budget Committee. So I am concerned about how we are proceeding here tonight.

MR. ROBINSON: Ms. Heidelbaugh, you don't know me very well, but the commitment I made to you is a commitment I will keep. There will be no attempt to prevent you or any other member of this Council from being solely informed on the proposed bond issue, prior to a vote on the amendment that's going to be proposed for the bond issue. Hopefully, at the end of this process, while you and I may disagree, you will trust my word. That's all I give you, is my word. And so far, I have done partially what I told you I would do, and that is, these gentlemen, some of whom I didn't know were coming, are here and have the information --- may have the information you want. But also, you will have an opportunity. I thank you for the segue into the portion of the procedure that you may object to, but it's well within my power; and that is, I'm going to limit the questioning by Council members.

This is consistent with what I do during the Budget and Finance Committee budget hearings in this very same room. The reason for doing that is efficiency. While I am a strong believer in democracy, I don't believe that it should be utilized by anybody to simply ask questions and try to gather information when, in fact, information has already been provided, or simply, time does not permit. Unless you have a serious objection to

that approach, I will proceed. I'm going to ask Mr. Catanese if he would be kind enough to assist me in identifying those members who do want to speak, so that I can be fair in calling upon members. And I would request that members on the first round have no more than two questions, please. The Chair is not shy about gaveling you or attempting to gavel you to silence, attempting to do so. I have no ability to stop anybody up here from talking. But please, don't have me recess the meeting until order is restored, and that every member initially will have an opportunity to ask two questions.

One point that has not been, maybe, made clear is the issue of policy. The Chair will determine if the question that you're asking is a policy question and the people that I have identified so far are not in a position to answer any policy questions. If you have a policy question and you could identify somebody who's present and you think can answer it, then the Chair will work with you to get that person to come to the podium and give you the answer. Other than that, it will be duly noted that that question was asked, and we'll try to get you an answer at a future date.

But at the end of the day, the 15 members of this Council and the Chief Executive are going to answer the major policy question; and that is, whether or not the refinancing should proceed as the administration has recommended. Let me give the administration credit for moving forward to address this issue of long-term financial planning for the county. And let me give Mr. Walter Szymanski, our Budget Director, credit for working with the administration in making this happen. This is only part and parcel of solving the long-term fiscal issues that face this county. And hopefully members will respect it as such.

There will be other ideas and other approaches that the administration presents to us, and members will have an opportunity to opine, as Mr. Gastgeb often says, beyond the night on those issues. The Chair will not give preference tonight to members of the Budget and Finance Committee. As I said, I'll be presiding as the president would; and first come, first served. Hopefully, everybody can respect the rules, and we can get on to the substantive matters facing this Council. Any unreadiness on the part of any member of this Council on this issue? If not, Mr. Finnerty would like to --- is anxious to offer

a motion on this bill. Mr. Finnerty, if you are ready, Ms. Danko, I believe, is ready to second your motion, if you want to offer that motion on --- correct me if I'm wrong --- 7052-12.

MR. FINNERTY: I make a motion to approve.

MR. ROBINSON: Ms. Danko?

MS. DANKO: Isn't it 7038-12?

MR. ROBINSON: Mr. Finnerty, if you would withdraw that motion and make another one?

MR. DROZD: Unless you want to pass mine. That's okay.

MR. ROBINSON: Not at this moment.

MR. FINNERTY: I'll make a motion to approve 7038-12.

MR. ROBINSON: Ms. Danko?

MS. DANKO: I'll second that motion.

MR. ROBINSON: Okay. Second. Okay. In the interest of time and to accommodate Ms. Heidelbaugh, the Chair is going to ask the gentlemen who I already identified to stand ready, to come to the podium for some questions prior to any action being taken on the motion or the amendment --- there's an amendment pending that I believe Ms. Danko wants to offer. What I'm going to do is ask if Ms. Danko would be kind enough to offer the amendment, which all members of this Council received a copy of. And this amendment speaks directly to the bill. It makes no changes in the document before you. And I think it would be appropriate to at least make a motion and have a second, and then have these gentlemen come forward, because part of their presentation will be to explain to you why they think the amendment is necessary to the bill. But the Chair will give them an opportunity to speak on both the motion and the amendment in their presentation. But I'd like to have both the motion and the amendment before Council. Ms. Danko?

MS. DANKO: Mr. Robinson, I move that the amendment which I believe all Council members have received tonight, be moved forward.

MR. MACEY: Second.

MR. ROBINSON: Who offered the second, please?

MR. MACEY: I did.

MR. ROBINSON: Mr. Macey, second. Okay. Both items will be before us. If the gentlemen I called will come forward, I will identify you, how you might start. And once these gentlemen are finished with their

presentation, if members would be kind enough to raise your hand, I'll recognize you and Mr. Catanese will mark your name down, and we'll go from there with two questions. If a member does not have a question on the first round, if they will please so indicate, and then we'll get to you if we need a second round. Okay. Let me ask Mr. Charles Goodwin, representing Bank of New York Mellon, Capital Markets and our county's financial advisor, if he will make the first pass at explaining the approach that's being offered through the bill. And if you care to touch upon the amendment, please feel free to do so. Mr. Goodwin?

MR. GOODWIN: Thank you, Mr. Chairman. The purpose of the bond issue is twofold, as mentioned. The first part, C-69, is a refinancing of certain existing indebtedness of the Council --- or the County. And in the second, C-70, is new money to fund new capital projects that are included in the 2012 Comprehensive Fiscal Plan and the 2013 Capital Plan --- Capital Budget that was included in that Comprehensive Fiscal Plan.

The purpose of the refinancing is to take advantage of what --- our very attractive interest rates currently available in the bond market, to allow the county to reduce its debt service, both in the current years, as well --- current fiscal year, as well as several years going forward and locking overall debt service savings for the bond. The purpose of the amendment being offered is to correct some technical errors that were included; namely, relating to nomenclature in the original ordinance that we presented to this Council, as well as to reflect also current market conditions as they stand right now. That's, I think, in a nutshell, Mr. Chairman was anticipating on the ordinance.

MR. ROBINSON: Thank you very much. Let me ask Mr. Thomas Trimm, representing Pepper Hamilton, Bond Counsel for this issuance, if he would like to share with us his prospective.

MR. TRIMM: Thank you, Mr. Chairman. As described by Mr. Goodwin, our job and our responsibility for the County was to take the financial plan that was worked through by the financial advisor and the underwriter, to document that appropriately. This ordinance is the authorization by the County Council to proceed with the financing described. Our responsibility is to make sure it meets the requirements of the state

acts, including the Local Government Unit Debt Act, and be consistent with federal law. I'm referring to Section 103 of the Code. We believe that this proposed ordinance does that.

MR. ROBINSON: Thank you, sir. And now Mr. Massetti representing PNC Capital Markets, lead underwriter for the issuance; if you have something you'd like to share with us.

MR. MASSETTI: Yes. Thank you, Mr. Chairman. I just want to reflect what Mr. Goodwin and Mr. Trimm have stated here. The amendment to the ordinance, as previously presented, is simply to clarify some of the terms, make sure that it reads correctly and reflects the current market conditions and more directly matches the County's plan for its comprehensive financing right now.

MR. ROBINSON: Thank you. The Chair should indicate in his capacity as Chairman of the Budget and Finance Committee, I worked with our staff here at County Council and the staff representing the administration. I have been fully informed on the amendment, the rationale and the reason that this amendment, perhaps, was not presented in a more timely fashion, so that members of this Council could review. I am satisfied at this point to move forward and confident in asking Ms. Danko to offer the amendment and confident in Mr. Finnerty in accepting his motion to approve the bill.

Mr. Finnerty, myself and Ms. Danko were present at the last Budget and Finance Committee meeting where this bill was discussed and voted out. And our participation at this level, at this time, I believe is a reflection of that, and I thank the president for having confidence in me to present to you, and I thank the gentlemen so far. What I'd like to do now to move into, perhaps, the substantive --- more substantive portion of the discussion of this, I'm going to ask Mr. Warren Finkel, our Budget and Finance Director, to make a presentation. This bill and the amendment were generated by the administration. Mr. Finkel will be free to utilize anyone he needs of the gentlemen who have spoken or who have not spoken, if he needs their assistance in making his presentation.

And then the Chair will get back to the members who would like to speak. And what we'll do is we'll handle the amendment first, as far as questions, and then

we'll go to the bill; hopefully, the bill as amended. Mr. Finkel?

MR. FINKEL: Thank you, Mr. Chairman. The purpose of the issue, as Mr. Goodwin has already indicated, is twofold. The first is to provide money to finance the 2012 capital budget that Council approved last December, which we are using temporary loans to actually put the cash in place and to fund the 2013 capital budget that Council will act upon this December. But the projects have been identified in the 2012 Comprehensive Fiscal Plan, as required under the Charter, nearly a five-year capital plan. So that's the building block for the 2013.

The other objective was to create debt service savings in the year 2012 by refinancing and restructuring some of the existing debt of the county. And that's what we've done. We're looking at approximately \$13 million in savings from the amounts that were --- the amount that was budgeted in 2012.

MR. ROBINSON: Is that it, sir?

MR. FINKEL: I believe it is.

MR. ROBINSON: I mean, if it is, it is. The members have questions. I just want to know if you're finished with your presentation at this point.

MR. FINKEL: Yes. It's based on those two objectives, to seek money for the 2012 budget --- capital budgets --- C-70 does that; and C-69 issue is the refinancing and restructuring portion of it that creates the cash flow savings in 2012.

MR. ROBINSON: The Chair would like to follow up on a concern that Ms. Heidelbaugh raised in committee and that is, what is appropriate for us to be going out on a bond issue for capital projects that have not yet been approved. And I think she was specifically referencing the year 2013. Could you answer that concern for the Chair?

MS. HEIDELBAUGH: May I please ask my own question?

MR. ROBINSON: Not at this point.

MR. FINKEL: We did in the early 2000s --- we started issuing money in two-year increments. It's a savings of scale because you're going into the market blindly. You're saving cost of issuance. You don't have to pay rating agency fees, lawyers printing fees, et cetera. So there's a common scale of doing two years. By

the time this bond issue closes, which will be in September, that will be less than four months from 2013, so the cash will be in place. You know, we're closer to 2013 than we are in --- beginning in 2012, so it made sense; plus the fact that there are historically low rates in the market now. And we want to take advantage those low rates.

MR. ROBINSON: Thank you, Mr. Finkel. You gentlemen can find a seat if you like. I don't know if you'd be uncomfortable standing there. There's no telling how long we'll be here. What the Chair is going to do at this point is start with Mr. Burn. And Mr. Finkel, if you would stand ready at the podium, the presumption being that you would be the first person to attempt to answer Mr. Burn or any other members' questions. Two questions, please, Mr. Burn. If Mr. Finkel is not the person who can address your question, if you identify that person, the Chair will have them come to the podium; if not --- Mr. Burn, you are welcome to give your two questions.

MR. BURN: Thank you, sir. Two questions for you. You mentioned rates being at historic lows right now.

MR. FINKEL: Yes.

MR. BURN: Can you tell us what those historic lows are, as compared to lows we've seen in recent economic trends?

MR. FINKEL: Okay. I'm going to call upon Mr. Goodwin to answer that.

MR. GOODWIN: Yes. Any part of the best proxy for general interest rates is the U.S. Treasury bond market. That's the risk-free rate that investors are looking for in the bond market. And since most of these bonds are going to mature between 1 and 25 years, if we look at the 10-year U.S. Treasury yield, that's probably most indicative as to what's going to drive the county's borrowing costs. And that rate right now in today's market is about 1.63 percent, bounced around a little bit over the last couple weeks. But we're really looking at historic lows going back to about the 1950s.

MR. BURN: And sir, this is, like, still my first question. Specifically, Mr. Chairman, I had asked --- it's about 1.63 right now. But I know we're going back 50, 60 years since we've seen something like this. So I just wanted to --- for you to share with the

colleagues, for the last four or five years. About where was it normally until this historic drop?

MR. GOODWIN: Sure. I guess I would, sort of, do a dividing line as to 2008, the start of the crisis, if you will. Before that and roughly off the top of my head, the 10-year Treasury was yielding about 4 and a half to 5 percent, so ---. And probably in 2009, you're looking at 3 percent. Even during parts of 2011, the 3 --- the 10-year Treasury jumped over three percent. But then the last, oh, six or seven months, we've seen a sustained rally in the bond market bringing the interest rate down from, say, 2 and a half percent to around year end, to 1.63 percent now.

MR. BURN: My second question --- thank you. And I believe I heard this in somebody's remarks; it might have been yours. Folks will be watching this either live or after we put this back up, and my constituents will be asking. How many millions of dollars will we be saving Allegheny County taxpayers on the C-69 refinance?

MR. FINKEL: It's in the neighborhood of \$13 million in the year 2012. Tony, do you know what it is in the year '13?

MR. ROBINSON: If you gentlemen and future ---.

MR. BURN: I don't need an exact number, Mr. Chairman.

MR. ROBINSON: Not that point, Mr. Burn. I want them to speak more directly into the mike, even if they have to take the mike off of the stand, so that all members can hear very clearly and distinctly what these gentlemen are offering as answers to questions from members of this council.

MR. MASSETTI: All right. It's approximately \$1 million in 2013, \$13,500,000 in 2014, \$3.2 million in the year 2015, '16 and '17.

MR. BURN: Those are my two questions. Thank you so much. Thank you, Mr. Chairman.

MR. ROBINSON: Thank you, Mr. Burn. Two questions, Ms. Danko, on the first round.

MS. DANKO: Mr. Robinson, I believe I asked most of my questions in the committee, so I don't have any questions at this time. Thank you.

MR. ROBINSON: Councilman DeFazio, two questions.

MR. DEFAZIO: Yeah. Mine is, more or less, one statement. What I'd like to say is, we would be foolish

to bypass this situation here. You're talking about all this money savings and everything. This is a no-brainer not to take advantage of this. And I just think that we'd be crazy if we wouldn't go along with this. Thank you.

MR. ROBINSON: Mr. Drozd, two questions on the first round.

MR. DROZD: You answered one of my questions. I think in the future just bring the cash flow analysis of where the payback is and cash up-front costs and to show that more concise to us. That would be great. I'd like to see that.

MR. FINKEL: All right.

MR. DROZD: And lastly, I'll say, I'm going to abstain from voting on this because I happen to own some stock in one of the financial ---. And I never, ever would do anything as a --- potentially a conflict of interest, and I'm going to have to abstain. But it's a great idea to save taxpayers' money. This is what we need to do and bring in initiatives wherever we can to save taxpayers' money. This is great. Thank you.

MR. ROBINSON: Mr. Finnerty, two questions.

MR. FINNERTY: Just one. This \$12 million or \$13 million we're talking about saving, is this cash flow savings?

MR. FINKEL: Yes.

MR. FINNERTY: Thank you. That's all I have.

MR. ROBINSON: Mr. Futules.

MR. FUTULES: My questions have been answered. Thank you.

MR. ROBINSON: Councilman Martoni.

MR. MARTONI: My questions have been answered, also.

MR. ROBINSON: Councilman Gastgeb, two questions.

MR. GASTGEB: I just have one. In the Series C-70, the aggregate principal amount of \$130,335,000, is that the amount of the capital budget? I'm trying to remember what the capital budget is.

MR. FINKEL: That includes the amount ---. That \$130 million accounts for the fact that these bonds are --- will not be sold until August. And if market conditions change, there's a possibility that the amount of bonds will be lower. So they had to size this thing high enough so that we would be able to account for all

the projects, you know, plus changes in the market conditions.

MR. GASTGEB: So this amount captures that two-year segment that you were talking about in the capital budget?

MR. FINKEL: Yes.

MR. GASTGEB: Thank you.

MR. ROBINSON: I would anticipate that if there are any changes after any approval is given by this Council and signed off on by the Chief Executive, that Mr. Finkel or someone from the administration will return to this Council to outline for us what those changes are and what the fiscal ramifications are for this county. That's not inconsistent with what we've asked in the past. And Mr. Gastgeb, I'm glad you raised that concern. I think that's very important if there are changes to what we approved. And we need to know what those changes were, and then we have to size our options. Thank you very much, sir.

MR. GASTGEB: Thank you.

MR. ROBINSON: Ms. Amanda Green Hawkins, two questions.

MS. GREEN HAWKINS: My questions have been answered. Thank you.

MR. ROBINSON: Thank you. Councilwoman Heidelbaugh, two questions, first round.

MS. HEIDELBAUGH: First question. I attended the Budget and Finance Committee, despite the fact that I am not a member. And I did ask quite a few questions, many of which were not answered. I'm going to try again here. As a matter of --- as a matter of my personal opinion, I don't have a problem with the C-69 bond. That's part of the ordinance that would refinance the \$62 million for a cost savings in excess of \$12 million. What I will be doing is offering an amendment to try to hold that portion of the ordinance out as a separate vote, because I don't have any problem with that. And that would probably be a unanimous vote, would be my opinion. My questions concern the C-70 bonds with \$130 million. When I asked questions, I believe it was Mr. Goodwin --- perhaps it was you, Mr. Finkel --- who answered. And if I got this wrong, please give me factual what I've gotten wrong. The \$130 million, \$60 million is for projects that we, as a Council, have already approved; is that correct?

MR. FINKEL: You adopted last December --- December the 6th, I believe, Council passed the 2012 capital budget and --- was \$60 million the amount?

MS. HEIDELBAUGH: I'm looking for, you know, ballpark numbers here, but ---.

MR. ROBINSON: Ms. Heidelbaugh, is this the essence of your first question?

MS. HEIDELBAUGH: Yes.

MR. FINKEL: The adopted budget was \$45.9 million.

MS. HEIDELBAUGH: Okay. So that's a different number than I got in the budget, because it was \$60 million, but all right. So then the remaining \$85 million for capital projects which you propose to float this bond, are for capital projects not yet approved by the Council. Is that --- my understanding correct?

MR. FINKEL: Not necessarily.

MS. HEIDELBAUGH: Okay. Explain it to me.

MR. FINKEL: There's a certain portion in there that represents possible change that might happen when the bonds actually go to market or are actually sold in August. Charlie, do we have an amount?

MR. GOODWIN: About \$5 million.

MS. HEIDELBAUGH: Okay. So that \$80 million, then, is for projects that have not yet been approved by Council?

MR. FINKEL: The \$5 million was put in there so that when the county actually went into the market and sold the bonds, if conditions changed, we could not be in a position that the bond ordinance had a lower amount than what the market was telling us that we had. So there's a \$5 million cushion in there. There's a possibility that when we go to market, we're not going to need that \$5 million. The bonds will be lower by that amount.

MS. HEIDELBAUGH: That's really not the essence of my question. The essence of my question is, give me the number --- it doesn't have to be precise but close --- that we're floating a bond for projects in the future that have not been approved by Council.

MR. ROBINSON: Do any of you gentlemen have that number for Ms. Heidelbaugh?

MR. GOODWIN: When we issued the 2012 Comprehensive Fiscal Plan, included in there were recommendations only for what we anticipated would be needed in the fiscal year 2013. Those are included on

pages 170 through 173 of the 2012 Comprehensive Fiscal Plan. And at that time, those projects added up to \$49 million in bond funding, for a total capital budget recommendation in 2013 of \$93 million. Since that time, several issues have come to our attention that may require additional funding. I believe I mentioned one of these issues in the Council meeting that was the garage facility on Fourth Avenue. In addition to that, there is a matter related to the Lexington Avenue facility that the county occupies. This is the home for our 9-1-1 center. It is the home to our backup system for our county accounting system. It is the home to our county police, among other offices. And so that building may require funding, as well, in 2013.

MS. HEIDELBAUGH: So to summarize --- and correct me if I'm wrong --- you're asking for \$85 million which hasn't been approved, but you outlined \$49 million for 2013 in the CAFFA; is that right?

MR. GOODWIN: Not in the CAFFA, in the Comprehensive Fiscal Plan.

MS. HEIDELBAUGH: Comprehensive Fiscal Plan.

MR. ROBINSON: Which is required by law to be presented to this Council.

MS. HEIDELBAUGH: I understand.

MR. GOODWIN: That's correct.

MS. HEIDELBAUGH: Those are the numbers. Okay. So my second question, Mr. Chairman, is a policy question which you refused to allow me to ask ---.

MR. ROBINSON: No, ma'am. You can ask it but you have to identify who you feel can answer it, but I'll determine if they can answer it.

MS. HEIDELBAUGH: Well, I'm kind of surprised that the County Executive is not here, so maybe Ms. Liptak can provide us with a person who would answer a policy question.

MR. ROBINSON: You want Ms. Liptak to try to answer a policy question?

MS. HEIDELBAUGH: No. I said maybe Ms. Liptak can identify who could.

MR. ROBINSON: Well, if you ask that policy question, then the Chair will see if Ms. Liptak can answer it or if she can identify someone who can answer it. And maybe that someone is not in this room and she can tell us.

MS. HEIDELBAUGH: Perfect. The question I have is that in light of the county's financial constraints, I believe that, as recognized by the current Chair of Council, I think you said a couple of times in the budget, we're broke. How is it that we have decided that we're going to engage in the borrowing of \$85 million, and how is it that we will repay that money?

MR. ROBINSON: You characterize it as a policy question, or are you referencing my statements?

MS. HEIDELBAUGH: That was the question I attempted to ask in Budget, and you wouldn't let me ask it because it was a policy question.

MR. ROBINSON: Mr. Finnerty and I have had at least one substantive public conversation on the county's fiscal status. And it's obvious he and I do not view it the same. I respectfully disagree with Mr. Finnerty, and I'm sure he respectfully disagrees with me. And I indicated that in November or December of this year, we could have a more substantive discussion as to which perspective was correct. But if you would like to characterize what I said is a policy question, then I would think I'd be the only person in this room that could answer that for you. Ms. Liptak can't answer it for me.

MS. HEIDELBAUGH: No. I want to know what the administration's view of this is. This is a bill provided by the administration. I would like to ask the administration, who's the proponent of this legislation, how it is that the administration proposes, if we are, in fact, as you have repeatedly said, Mr. Chairman, that we're broke, why are we borrowing \$80 million for future projects, and how are we going to repay it?

MR. ROBINSON: Let me first say that Ms. Liptak has not been asked to come to the podium. I wouldn't want you to think that the administration is proposing something simply because I have characterized the fiscal condition of the county, as you said it is. I respect Mr. Finnerty's opinion on this in that he may be right. Mr. Finkel and the gentlemen who are with him, have been authorized by the Chief Executive to make a presentation to us, and that presentation relates to legislation submitted by the Chief Executive.

The Chief Executive is not present, and I don't see anyone here who can actually speak for him on a policy issue. So we may have to depend upon Mr. Finkel and his capable assistants to try and answer your question, unless

you want to clarify the question beyond what you've done so far.

MS. HEIDELBAUGH: I think it's pretty straightforward.

MR. ROBINSON: Well, do you think Ms. Liptak is the person that can answer that question?

MS. HEIDELBAUGH: I think she's --- Ms. Liptak, are you the County Manager now?

MR. ROBINSON: Ms. Liptak, you don't have to answer. You can't ask any questions of Ms. Liptak, Ms. Heidelbaugh. She's not at ---. I just want you to ask a question of me.

MS. HEIDELBAUGH: Is she the County Manager?

MR. ROBINSON: She's the Acting County Manager; yes, ma'am. But Ms. Liptak's name is not on any legislation that we're considering.

MS. HEIDELBAUGH: Well, you're asking me to tell you who I think. I've told you who I think.

MR. ROBINSON: And I said to you that the Chair would then determine if that person ---

MS. HEIDELBAUGH: Fine.

MR. ROBINSON: --- was capable of answering. I don't believe that Ms. Liptak is capable. But what I will do is ---.

MS. HEIDELBAUGH: Well, let somebody answer it.

MR. ROBINSON: Well, who? I asked you to identify who.

MS. HEIDELBAUGH: I said Ms. Liptak and you said no. Okay. Let's have Mr. Finkel.

MR. ROBINSON: No, I don't think Mr. Finkel can answer the question as you posed it.

MS. HEIDELBAUGH: Okay.

MR. ROBINSON: No, ma'am.

MS. HEIDELBAUGH: How about ---?

MR. ROBINSON: Because the way you posed it is, if they proceeded because I made some utterances about the fiscal condition of this county ---.

MS. HEIDELBAUGH: No. No, no, no, no. I wanted --- I'll take out that reference. I'll rephrase it.

MR. ROBINSON: Please.

MS. HEIDELBAUGH: Okay. How is it that it has been determined as a matter of policy, that we will borrow \$85 million when we hardly have enough revenue to pay our bills?

MR. ROBINSON: Mr. Finkel is not in a position to answer a policy question.

MS. HEIDELBAUGH: Well, I'm just going to ---. I find this very disheartening. I find the fact that the current president of Council will not allow me, the at-large member, to ask a question, extremely undemocratic. And it is beyond frustrating. And when you made a pledge to the citizens of Allegheny County a moment ago to allow me to ask some questions, and then you refuse to allow anyone to answer this question, it is very, very disappointing. The citizens of Allegheny County are really being disserved by this.

MR. ROBINSON: If Mr. Fitzgerald, the County Executive, were in this room, I would invite him to go to the podium to answer your questions. Mr. Fitzgerald is not here. If there is someone who's authorized to speak on behalf of Mr. Fitzgerald while the Chief Executive wants to move in this direction, the Chair will allow that person to come forward. I've said I don't believe Mr. Finkel is that person.

MS. HEIDELBAUGH: Okay. I'd like to reform my question, based on the advice of my colleague.

MR. ROBINSON: Yes, ma'am.

MS. HEIDELBAUGH: Can you please explain to me how we're going to repay this \$80 million for unapproved capital projects in 2013 under the current fiscal scenario, the current projections?

MR. ROBINSON: Mr. Finkel and his associates can address that question. That's your second question.

MR. FINKEL: It's like making a mortgage payment. The county has made a covenant to the people that bought the bonds, that we will place our full faith and credit behind making payments. As such, when the county millage is set, a portion of that millage is dedicated to the debt service fund. That debt service fund is the fund that captures the revenue from real estate taxes, plus other sources. And it's also the place where the expenditures are made to the paying agents, who then pay the bond. These are 25-year bonds, I believe, so that debt --- we're going to be making payments for 25 years. Semi-annual payments are paid interest twice a year and we pay principal once a year. It's like we're making a mortgage payment.

MS. HEIDELBAUGH: Well, I very clearly understand.

MR. FINKEL: That's how it works.

MS. HEIDELBAUGH: I understand what borrowing is. I think we all understand what borrowing is. But you don't borrow when you don't have any money to repay. How is it that you have decided that we have money to repay, when we don't have any money now and we had to raise the millage a mill to raise \$50 million the last budget cycle?

MR. ROBINSON: Mr. Finkel, if you are not prepared to answer Ms. Heidelbaugh's question to her satisfaction, please indicate, so we'll try to find someone else.

MR. FINKEL: I'm not sure I understand the question.

MR. ROBINSON: Ms. Heidelbaugh, would you like to try a third attempt to clarify for Mr. Finkel what it is you would like him to answer the question; you'd like him to answer?

MS. HEIDELBAUGH: Is there a dedicated revenue source to repaying this money, or is it just going to come out of the general operating fund?

MR. FINKEL: There is a fund called the debt service fund. It's funded by --- and the majority of the revenue is from real estate taxes.

MS. HEIDELBAUGH: So we borrow \$80 million and we repay it. That will be less money that we can use for other things; right?

MR. FINKEL: No. It doesn't work that way.

MR. ROBINSON: Ms. Heidelbaugh, could I make a suggestion?

MS. HEIDELBAUGH: Sure.

MR. ROBINSON: If we can go to the other members and on round two, maybe, you can give it another try. Or maybe you can identify someone else that can answer that question, or Mr. Finkel can huddle with his associates and find someone who might want to take a third attempt at answering your question. Is that acceptable to you?

MS. HEIDELBAUGH: Yes, Mr. Chair.

MR. ROBINSON: Thank you very much. Mr. Macey, two questions.

MR. MACEY: Thank you, Mr. Chairman. It's not a question but a statement. I just want to commend the Controller's Office and the administration for being creative enough to find us this type of bonds and the savings to the taxpayers of Allegheny County. Thank you.

MR. ROBINSON: Mr. Palmiere, two questions on the first round.

MR. PALMIERE: Thank you, Mr. Chairman. I was also at that meeting, and my questions have been answered. Thank you very much.

MR. ROBINSON: Thank you, Mr. Palmiere. Councilwoman Rea, two questions.

MS. REA: No questions. Thank you.

MR. ROBINSON: Thank you very much, Councilwoman Rea. We've exhausted the first round. The Chair doesn't have any questions. My concerns have been addressed at this point. As we proceed to round two, I want to go back to Ms. Heidelbaugh's concern. She alluded to the fact that perhaps she has not been given a full opportunity to ask questions and to get answers. The first part is incorrect. She has been afforded an opportunity to ask questions. She hasn't got the answers that she wanted. And I'll make another attempt to try to help her get the answers that she wants.

I'm going to presume that Mr. Finkel has huddled with whomever he needs to huddle with for the second round. And if Ms. Heidelbaugh can identify someone else that might assist him, the Chair will be happy to work with her to get that person to the podium on the second round. Unless there's an objection from any other member of Council, I will go to Ms. Heidelbaugh first on the second round for two questions.

MS. HEIDELBAUGH: Thank you, Mr. Chairman. I believe Ms. Liptak approached the podium. Maybe they have some additional information they'd like to share with me.

MR. ROBINSON: You would like Ms. Liptak to approach?

MS. HEIDELBAUGH: No. I said Ms. Liptak approached the podium and provided the witnesses with some additional information. So perhaps they can give that to me.

MR. ROBINSON: The Chair did see Ms. Liptak approach, but I don't want to characterize why she approached. I saw a piece of paper in her hand. But if you would like to ask Mr. Finkel the question again --- before we go forward, let me recognize Councilman Burn.

MR. BURN: Just a clarification to my esteemed colleague, Ms. Heidelbaugh. These are guests, these are not witnesses.

MS. HEIDELBAUGH: Yes. I apologize.

MR. BURN: This is not a courtroom.

MS. HEIDELBAUGH: Yeah. It's just an occupational hazard.

MR. ROBINSON: Our guests are, I believe, prepared. Before we go forward, let me ask Ms. Liptak if she can give me a hand or head acknowledgment, if she would like to either tackle this question or make some kind of presentation. If she wants to do so, she is welcome at this point. Ms. Heidelbaugh, can she do that prior to you asking your question again?

MS. HEIDELBAUGH: Yes.

MS. LIPTAK: Thank you. Basically, the information I provided to Warren --- and thank you, President and Vice President, members of Council, for allowing us to present a previous explanation for this event and this very important law and issuance for not only refinancing tonight for our future but also be able to provide capital dollars right out of the gate 2013, for projects that are very important and vital to our county. Mr. Goodwin is here with, of course, Warren and Greg to explain the structure of the debt service payments, because as Warren explained, you get a debt service preserve fund which is funded through our millage rate. We reserve that every year as you've seen in the millage, as Warren explained.

The cost of issuance is for new money. Each year is incorporated into that. The portion of new money that will be used for '12 and '13 is incorporated in the overall package presented before you. This becomes a little more confusing because with the expected low interest rates, in addition to the restructuring, our costs of overall debt service will significantly decrease. So that provides us with the ability to not only move forward with the restructuring and new money, but also new money for '13, which is highly recommended by our financial advisor because of the costs. And it's not an uncommon practice. I've been with the county nearly 14 years, Warren 42.

We did this --- we used to do this very often. We'd go out for two years at a time. That's what we would do. We'd go out, save the money. Let's go out two years, especially when interest rates are really good. Interest rates are great right now. So if I may, I'd like to defer to Mr. Goodwin to kind of explain how the restructuring, along with the new money issue, is going to affect our

debt service, which allows us to be able to take out this money for the two-year period.

MR. ROBINSON: Before that, I'd like to make sure that Ms. Heidelbaugh's question is understood by Ms. Liptak and the fine team she has assembled. So let Ms. Heidelbaugh explain to you again what her question is, what her concern is, and then if you need Mr. Goodwin, that will be fine.

MS. HEIDELBAUGH: Ms. Liptak, I very much appreciate that answer. That was very illuminating. Thank you. And I, obviously, have no problems with saving money. I'm all for it. Let's all vote yes for saving money. In terms of your history and seeing the county with these --- with these bond issuances, the question I'm stuck on and the help that I need is this extra money that we're voting in advance to float the bond, but we, as Council, have not approved the projects yet. We're getting the money before we've approved the projects. This is the philosophical problem that I have.

Now, is this something that regularly occurs; and if so, what is the amount of the bond issue? I mean, is it as large as this, usually? Give me some historical perspective.

MS. LIPTAK: Well, historical perspective, obviously, can probably most best be brought forth by Warren, who has been doing bond issuances for --- I hate to say ever but probably ---

MR. FINKEL: Since '89.

MS. LIPTAK: --- since 1989. I don't think this particular piece is that hard. Warren, you didn't explain one other portion. Let me allow Mr. Casciato. There's one other portion of the monies that we're taking out. The \$85 million you're referencing is a portion of that money that is going to be used to pay capital reimbursements from prior years, which has been done historically for the past three years. If I may, I'd like to allow Mr. Casciato --- because that will provide you with some more information as to why you're seeing \$85 million for '13. It's not actually \$85 million, so you were referencing for a \$60 million figure in committee and you couldn't reconcile that. Let me allow Mr. Casciato to do so, because I think that will provide you with some more information that will clarify things for you; if I may, Mr. Chairman?

MR. ROBINSON: Yes.

MR. CASCIATO: Thank you very much. A couple of things. When the county's 2011 financial books were closed, \$17 million in capital reimbursements were utilized to stabilize the county's fund balance.

MS. HEIDELBAUGH: Say that again.

MR. CASCIATO: \$17 million --- this is not a practice that was --- was just the first time in 2011, this has been going on for a number of years now.

MS. HEIDELBAUGH: \$17 mill capital funds were used to ---?

MR. CASCIATO: These are reimbursements that we've received from the federal and the state government on certain projects. They are available to use any way the county wishes to use them. You can keep them on the capital projects or you can utilize them for other purposes. The county opted to utilize them for other purposes and transferred those to the operating budget.

MS. HEIDELBAUGH: So \$17 million from capital went to operating for how many years?

MR. CASCIATO: That's correct; that's correct.

MS. HEIDELBAUGH: For how many years?

MR. CASCIATO: That's been going on now for the last three years. So what this issue will do is replace that \$17 million on those projects. Now, directly speaking to your question that you asked earlier with regard to the size of this issue, certain matters have changed over time versus what we had in the past. About 10, 12 years ago, this county used to only give the Port Authority \$2.5 million a year. Now, under Act 44, we are required to provide additional capital funding for them for the capital projects that they incur. That number in 2012 and 2013 is somewhere around \$8 million to \$8.5 million to \$9 million each year.

There's only one way to finance that and that would be with bonds, because that's part of our capital program and it's part of the Port Authority's capital program. So when we try to compare the size of this issue to the size of issues that we used to issue, we have to take into account these additional factors. In prior years, the county did not provide capital funding to the community college, and this Council has decided that it wishes to do so now, and we have to fund that some way. So in this issue, we would also have funding for the community college. In addition, obviously costs go up on all of our projects. Unfortunately, with increase in fuel

costs, the cost of asphalt also rises, which means that the costs to redo a road back in 2000 --- it's much higher to redo a road now in 2012 than it is in 2000. So there's an additional cost that we have to incur. So to try and compare what the size of this issue is and say, how does that compare to the prior issues, that's a very difficult question to answer. It involves all of these additional factors that we have to consider when we're putting together a recommendation to this council for the projects that we think they should like at when they adopt their capital budgets. One last ---.

MR. ROBINSON: Ms. Heidelbaugh, do you have the answer to your question?

MS. HEIDELBAUGH: I think there's one piece that's left unanswered.

MR. ROBINSON: And what is that, because Mr. Casciato nor Ms. Liptak spoke to your --- or Mr. Finkel spoke to your issue of policy, because I don't believe they can. I think what you want to know is why the administration wants to do it this way, which is a valid and legitimate question. But they can't do it this way without this Council's approval, and that's what they're asking us for. And they've sent these kind people to explain to us the best they can from a technical standpoint, except for Ms. Liptak, why they want to do it this way. But they haven't answered the question that you originally posed about the policy. They haven't done that, in my opinion.

MS. HEIDELBAUGH: Well, I'm happy to have that question answered.

MR. ROBINSON: So am I, but Mr. Fitzgerald is not here, and Ms. Liptak has not made any representation that she's authorized to speak on his behalf.

MS. HEIDELBAUGH: So the last piece of it historically, is there historical precedent for asking for a very large float of the bond issue prior to this Council's approving the projects?

MS. LIPTAK: I wouldn't classify this as a very large issuance. Personally, I don't think that this is a large issuance for --- you know, you're saying \$85 million. You take out the \$17 million and it's a pretty normal issuance, if you look at how much we've taken out in the past five years is pretty consistent with what we've done. And yeah, it's been done several times in the past, that we issued --- issue the money, present

recommendations, as Mr. Casciato has mentioned, that the Council ultimately has to budget. And being Council's budget director for several years, I know Council readily takes their pen and decides what they like and what they don't, and it's your prerogative to do. So I don't classify it as monies for a large issuance; but yeah, it's quite normal.

MR. ROBINSON: If, in fact, County received money for these capital projects and this Council, in cooperation with the administration decides you're not going to do the projects, will give the money back. I think we're obligated to give it back. I doubt that that's going to happen because I think --- you know, this Council starting with Mr. Drozd have some problems that they don't feel have been met. And I'm sure we would have some recommendations as to how that money should be spent. But we're not jeopardizing the county by over-borrowing, and then we'll have money in some kind of slush fund, to use as we see fit.

If, indeed, the projects are not completed or started, the money will be returned. Ms. Heidelbaugh, do you have an answer to your second --- I mean, to your first question on the second round, which was your second question, I believe, on the first round?

MS. HEIDELBAUGH: I'm just not that smart to be able to remember what that was.

MR. ROBINSON: I am. Do you have an answer to the question that you asked of these fine people?

MS. HEIDELBAUGH: Maybe, you could tell me.

MR. ROBINSON: I don't think you had that answer, because I don't think they have it.

MS. HEIDELBAUGH: Then I don't have it.

MR. ROBINSON: Then if they have it, they have not been willing to present it to you, other than what they have already said, that they think this is a good idea. I agree with them. It's a good idea. Let's do this.

MS. HEIDELBAUGH: I will provide some further commentary discussion.

MR. ROBINSON: At what point?

MS. HEIDELBAUGH: At discussion when we're going to vote.

MR. ROBINSON: Yes, ma'am. Any other questions on the amendment or even on the substance of the bill that's before us that relates to refinancing the County's

debt? We're talking about 7038-12 and the amendment that Ms. Danko is going to offer. Mr. DeFazio?

MR. DEFAZIO: Yeah. Now, Heather has a right to do what she's doing. She may not like what she's hearing. That's her opinion. There's about 14 other people up here. I'll give my opinion. I think it's a smart move. I think we ought to get to the point where let's --- we all have to make a decision. I think what she's looking for, the answer, she may not like it, and she has a right not to like it. But let's hear from the rest of us. I, for one, think it's a smart and wise move to do this. Thank you.

MR. ROBINSON: I'm going to go to Mr. Burn, and then I'm going to go back to the amendment that Ms. Danko offered and I believe Mr. Macey seconded.

MR. MACEY: Correct.

MR. ROBINSON: And then we can have a full discussion on the amendment, which is obviously going to raise some questions. And then if the bill is amended, we'll have more discussion on the bill, as amended, and then we're going to have a vote. Mr. Burn.

MR. BURN: Thank you, Mr. President --- Mr. Chairman. Point of Order. I do believe that Ms. Danko introduced an amendment, which was seconded. So I think that right now 7038-12 is on the floor as amended.

MR. ROBINSON: No, sir. We haven't voted; no, sir.

MR. BURN: It's not on the ---?

MR. ROBINSON: No, sir. The Chair accepted the motion on the bill and the amendment so we could discuss it more fully, and we wouldn't have to keep calling these folks back and forth. But we haven't taken any vote; no, sir.

MR. BURN: That's not what I'm saying. But we're on the same page; yes, sir.

MR. ROBINSON: Thank you. Okay. The Chair will --- Mr. Gastgeb?

MR. GASTGEB: I don't have any comments, but I have one question on the second round.

MR. ROBINSON: Mr. Gastgeb.

MR. GASTGEB: And I'll address this to Mr. Finkel or Ms. Liptak. I think it's just a question that does not involve policy. It's just a question about budgeting. The operating budget, I think we realize we're on a 12-month fiscal calendar. The capital budget,

though, correct me if I'm wrong, many of the capital projects span capital budgets. I have projects in South Park that I put in, in 2007. They still --- but we're hoping to get it going in some fashion. So is that correct that capital budget projects span capital year budgets?

MS. LIPTAK: Yes. Capital appropriations to this Council, it's not like they're no longer in existence by amending the budget, until the project is completed. They could go on perpetually. And another rationale for one, we like to have a two-year issuance on the great financial statements we'll see low interest rates. We'll see a start to projects quickly in 2013; so you know, having the money available to get certain projects of this Council closed. But yes, you are correct in your statement.

MR. GASTGEB: The reason why we're limited on our capital budget is because some of these projects don't get completed, and therefore, they're cushioned in order to complete. And if you remember, me and others have brought forth a sunset provision where, if we can't get these budgets done that's going to just face up in the budget. That was brought forth in, I believe, 2011. Thank you.

MR. ROBINSON: Mr. Gastgeb is correct. As the Chair understands his presentation, he's absolutely correct. And we need to be more diligent in that regard. If we're going to do a project, let's do it; if we're not going to do a project, then let's don't do it. Let's don't tie up taxpayer dollars if it's not absolutely necessary. The Chair is now going to go to the amendment that was proposed by Ms. Danko and I believe seconded by Mr. Macey; if the clerk will read the amendment that Ms. Danko had offered. It's probably listed under Robinson One. Ms. Danko is offering that on my behalf.

MR. CATANESE: You want the entire ---?

MR. ROBINSON: Pardon me, sir?

MR. CATANESE: Do you want the entire bill read?

MR. ROBINSON: No, sir, just the reference to the amendment.

MR. CATANESE: It's an ordinance of the County of Allegheny, Pennsylvania, authorizing the incurrence of nonelectoral debt by the issuance of its, one, General Obligation Refinancing Bonds, Series C-69, in an aggregate principal amount not to exceed \$62,745,000 (C-69 Bonds);

and two, its General Obligation Bonds, Series C-70, in an aggregate principal amount not to exceed \$130,335,000 (the Series C-70 Bonds, and collectively with the C-69 Bonds, the Bonds).

MR. ROBINSON: The Chair recognizes the explanations that have been provided by our presenters; our guests, as Mr. Burn correctly identified them. To sufficiently satisfy the Chair that this Council is aware of the amendment and its impact on the motion that Mr. Finnerty made for us to accept this bond issue that came out of Budget and Finance --- and I believe Ms. Danko seconded Mr. Finnerty's motion --- is there any unreadiness or any questions on this amendment? Mr. Drozd?

MR. DROZD: Just a quick point. I like Councilwoman Danko's amendment because it puts a seal on it. And I'd like to put this in Budget questions later, in Budget and Finance, on what was an initial question of mine in that meeting. Are we growing the county --- or let's say, operating the county --- funding the operations of the county by debt? Right now there are a lot of people out there very upset on the federal side with our --- we're putting our children in the hock. And I'd like to see those projections, at least, be discussed in Budget and Finance, to see if our projections are going like this and we're funding operations out of debt, and we're putting our people and our future and those that come after us in the debt. So that's the only thing. I think this is a good idea, as long as those funds aren't ---. And another thing people have always a problem is, oh, they'll grab here and then they'll throw them here and here and here, you know, just to --- you know, some additional cost. So that's what we have to be careful of, and that's what I'm concerned about. And I think we need to discuss that, and it might resolve some of Councilwoman Heidelbaugh's questions, too, maybe. But I don't want to speak on her behalf, but all of us have that concern. Thank you.

MR. ROBINSON: Thank you, Mr. Drozd. I can't speak for Ms. Heidelbaugh, either, nor will I attempt to. On several occasions when the issue has come up as to what direction the county is going, the Chief Executive's name has come into the conversation. The Chief Executive has been invited to a Budget and Finance Committee meeting on June 13th, which he said he could not attend. He said the

County Manager or Mr. Finkel could come and answer our questions. Mr. Finkel was on assignment. The County Manager was not present. The Chief Executive was not present. In his communication to me, the Chief Executive indicated that he would be available at another time. He identified that time as when he's regularly scheduled to come before this Council.

The Chief Executive is required to come before us quarterly. We tried to work cooperatively with him and the previous chief executive, so that those appearances are convenient for all concerned. I would encourage members who have questions about policy, at least that portion of policy that's set across the hall in the Chief Executive's Office, to stand ready to raise those concerns with Mr. Fitzgerald. Ms. Heidelbaugh, I believe at that time definitely, definitely, the president will give you an opportunity to ask policy questions of the Chief Executive.

And I would encourage you and others who have questions about the direction of the county relative to what the administration would like to do, be addressed to the Chief Executive. That is his responsibility. He would tell you that if he was here. He might not give us the answer we want. As Mr. DeFazio said, we don't always get the answer that we want, where we have to do whatever we want to do. But he is the person, I think, most appropriate to ask that question. I'm sure Ms. Liptak, as our Acting Budget Director, has absorbed the concerns that relate to policy questions and will share them with the Chief Executive. And maybe she'll encourage him to join us prior to his next quarterly appearance. Does anyone know what that date is, when the Chief Executive is supposed to come before us? Ms. Liptak, do you have that date?

MS. LIPTAK: 7/10. We'll be sending the communication this week. He'll be coming next Tuesday.

MR. ROBINSON: He'll be coming next Tuesday, 7/10, before us. Mr. Fitzgerald will be here for his quarterly report to us, regularly scheduled. So I would ask members to be prepared. Hopefully, Ms. Heidelbaugh, that is a continuation of my commitment to work with you, if you allow me to get you the information that you need to serve the people of this county and all the members of this Council want to do. If there's something else that I

can do, just let me know. I'll make an attempt. Yes, ma'am?

MS. HEIDELBAUGH: Yes. I'd like to then offer --- I might say this wrong, so please help me out. Because he's going to be here next week, I'd like to defer this, because I can't really ask him questions about this bill and policy, if we're going to vote on it today. So last week we deferred a bill that I presented because there was questions of Council back in committee. So why don't we defer this bill back to Budget. Mr. Fitzgerald will come here. We'll be able to ask the policy questions, and then we can vote quickly on this bill.

MR. ROBINSON: The only issue before us at this point is the amendment offered by Ms. Danko and seconded by Mr. Macey. Other than Ms. Heidelbaugh's unreadiness, the Chair does not --- will not entertain, because we are going to vote on the amendment and the bill today. It's going --- they're going up or down today. Any other concerns, other than that? If there's no other questions or concerns, the Chair is going to call for a vote on the amendment. The clerk will call the roll.

MR. CATANESE: Mr. Burn?
MR. BURN: Yes.
MR. CATANESE: Ms. Danko?
MS. DANKO: Aye.
MR. CATANESE: Mr. DeFazio?
MR. DEFAZIO: Yes.
MR. CATANESE: Mr. Drozd?
MR. DROZD: Abstain.
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 Hawkins?
MS. GREEN HAWKINS: Aye.
MR. CATANESE: Ms. Heidelbaugh?
MS. HEIDELBAUGH: No.
MR. CATANESE: Mr. Macey?
MR. MACEY: Yes.
MR. CATANESE: Mr. Palmiere?
MR. PALMIERE: Yes.

MR. CATANESE: Ms. Rea?
MS. REA: Yes.
MR. CATANESE: Mr. Robinson?
MR. ROBINSON: Aye.
MR. CATANESE: Mr. Martoni?
MR. MARTONI: Yes.
MR. ROBINSON: The bill --- I'm sorry. Would
you ---?
MR. CATANESE: Twelve (12) yeses, 1 no and 1
abstention.
MR. ROBINSON: The bill is amended. The bill is
amended. We will now discuss the bill as amended,
pursuant to Mr. Finnerty's motion and Ms. Heidelbaugh's
second.
MS. HEIDELBAUGH: No, it's not my second.
MR. ROBINSON: I'm sorry. Ms. Danko's --- I
apologize --- Ms. Danko's second. Ms. Heidelbaugh says
she has no comments once this bill was amended and the
Chairman recognized her in the amendment --- as well as
Mr. Drozd. They do know, democracy often times appears to
be convoluted. It's a very interesting process. It's
like making spaghetti. We're making spaghetti tonight.
The bill --- it'll taste pretty good when we finish. Mr.
Finnerty, do you have a concern?
MR. FINNERTY: I certainly do. I believe I just
voted on something that was called the bill as amended,
and it was read that way. So we already voted on the bill
as amended.
MR. ROBINSON: No, sir. That's not --- that's
not the Chair's understanding. The Chair understands that
we voted simply on the amendment offered by Ms. Danko.
You have a different understanding.
MR. FINNERTY: I certainly do, because that's
the way it was introduced, as the bill as amended. And if
that's true, then it's done.
MR. ROBINSON: Let the Chair get some
clarification.
MR. DEFAZIO: Point of Order.
MR. ROBINSON: Mr. DeFazio.
MR. DEFAZIO: You have to vote on the amendment
first.
MR. ROBINSON: Yes, sir.
MR. DEFAZIO: So the amendment passed. With
that amendment, now you vote on the bill completely. Why
not?

MR. ROBINSON: That's the Chair's understanding. Mr. --- I mean, Mr. Finnerty is saying he doesn't believe that's what occurred.

MR. DEFAZIO: We only voted on the amendment.

MR. ROBINSON: That's what I believe.

MR. DEFAZIO: Then you vote on the bill.

MR. ROBINSON: Let me --- let me seek the help of Mr. Cambest. Mr. Cambest?

MR. CAMBEST: Yeah. The process that Mr. DeFazio indicated is correct. And I think I thought that's what we were doing, voting on the amendment.

MR. ROBINSON: Yes, sir. That was the Chair's understanding. Anyone have --- share the concern that Mr. Finnerty had or have the same viewpoint as to what we just voted on? Perhaps the result will be the same, Mr. Finnerty, in terms of the final --- because I understand your concern that we do this correctly. Would you like to pursue that or defer ---?

MR. FINNERTY: No. No, I don't.

MR. ROBINSON: Okay. The bill, as amended. Now, we're going to vote on the bill as amended. Ms. Heidelbaugh, I believe you had some questions or concerns on the bill as amended. And then I'll go to Mr. Drozd.

MS. HEIDELBAUGH: I would like to offer an amendment, that we split the ordinance such that the refinance --- the refinancing of C-69 would be one bill and the floating of bonds of C-70 would be another bill, if I can vote yes for C-69.

MR. ROBINSON: Ms. Heidelbaugh, while I can appreciate your concern, I'm going to stand on procedure. I don't believe that that proposed amendment is in writing and before us, as one. Two, if you would like to have the rules waived to accommodate that, you're free to do so.

MS. HEIDELBAUGH: That's what I want.

MR. ROBINSON: Do you have a second for that? Or would you want to re-explain what you would like to do?

MS. HEIDELBAUGH: I'd like to have --- I'd like to have two bills. The one would be to refinance the \$62,000 (sic) for C-69 bonds, and we can approve that separately. And then the second would be the C-70 bonds.

MR. ROBINSON: Does anybody want to second Ms. Heidelbaugh's verbal motion? Normally, that motion would have to be in writing. The Chair is still looking for a second. I'm trying to accommodate Ms. Heidelbaugh. If no

one is going to second it, then the Chair is going to say that motion fails for lack of a second. That's it.

MS. HEIDELBAUGH: May I ---?

MR.ROBINSON: Yes, ma'am.

MS. HEIDELBAUGH: Okay. I'm going to have to vote against this ordinance because I'm very concerned that if we ask for this much extra money that we haven't approved, that we'll find a way to spend it. I believe in the current fiscal situation that we have, that we should not be borrowing this much money. In addition, I'm very concerned about the \$8.5 to \$9 million we're giving each year for capital projects to the Port Authority, in light of the very poor decisions that the Port Authority has made in regard to the capital projects for the last so many years.

I don't believe we'll be able to return the money, as Chairman Robinson has promised the citizens of Allegheny County, if we don't spend it. And I also have a lot of concern that the policy questions that I'm asking are not being answered. I have always respected very much since I've become a Council member, Ms. Liptak and her institutional knowledge. I believe she appeared at the Budget and Finance hearing, and I believe that most of the waste --- what I view as, sort of, the waste of time, could have easily been dispensed with if she was allowed to answer the questions that I asked.

I also think that it's --- it's a waste of time for us not to be able to understand what the administration's view of things are, by having the administration designate a few people that can speak on behalf of the administration. Mr. Fitzgerald is an enormously busy man. I do not want him to have to come to all these Council meetings. I do not want to have him come to every one of our committee meetings. And when the bills are designated as an administration bill, he ought to be able to designate department heads or Ms. Liptak, while she's the Acting County Manager, or the gentleman who will replace her, as someone who can speak on his behalf.

So I think we are being stymied in the work that we have to do, because I would like to understand what the administration's policy --- and how they view this. And I'm not being able to --- be able to vote on an informed basis when I can't have that viewpoint. And I'm stymied at that when the Chairman of Budget and Finance refuses to

allow these folks to come before our committee to answer these questions. Other chairmen of other committees do not do that, and I believe that Budget and Finance Committee to be, if not the most important committee, one of the most important committees. So I'm going to have to vote no on this ordinance for those reasons.

MR. ROBINSON: Mr. Drozd?

MR. DROZD: I think enough has been said, Mr. Chairman. You know my position and why I have to hold in the abstention. But I think we do have to look for all ways to save the taxpayers money, as long as it goes back to the taxpayers. And that's always my concern.

MR. ROBINSON: Mr. Burn? I'm sorry. Mr. Drozd, are you finished?

MR. DROZD: Yes, sir.

MR. ROBINSON: Mr. Burn?

MR. BURN: A couple quick points, Mr. Chairman, Mr. President. One of my colleagues indicated tonight that she has a philosophical problem with the approach to discussing the state and to this type of scenario. Well, that's why we have --- there's 15 of us, and that's why we vote yea or we vote nay, or for the right reasons, we abstain. But I have seen how you've run your committee for five and a half, six years now that I've been here. You talk about an open and transparent process where everyone is allowed an opportunity to speak. Your committee is a paragon of that process.

There's been plenty of time to have discussion on this in committee and on the floor tonight. I think you've done more than bend over backwards to allow everyone to have an opportunity to ask appropriate questions to the appropriate individual and get to the issue of policy or why we're doing this a certain way. The question --- you know, the answer, really, isn't that --- that this Chief Executive, within the parameters of the Charter and with the oath he took, was to send this county in a certain direction, with a charge that the voters of Allegheny County gave him. This is the way, within the parameters of that, he's chosen to move this county.

If there's a philosophical problem with that or a philosophical difference in the approach that this leader has taken with this specific issue, there's no amount of meetings, there's no amount of questions, there's no amount of answers that are ever going to change

that philosophical difference. So it's a matter of whether you're philosophically in line with this type of approach, which has precedent, or whether you're not. That's the root of this. And as far as the County government goes, you cannot break down the quantum physics of county government or any other government in a simple arithmetic. Thank you.

MR. ROBINSON: Any other member who has not spoken? Any other member who has not spoken, who would like to opine on this topic, the bill as amended? Anybody?

MR. DEFAZIO: Question.

MR. ROBINSON: Mr. DeFazio has called a question. The Chair is going to ask him if he'll hold that for a second, so that I might just say that I believe Mr. Burn is absolutely correct with the issue that's here before us tonight.

MR. GASTGEB: Mr. Chairman?

MR. ROBINSON: Mr. Gastgeb?

MR. GASTGEB: Once a question has been called, I don't think there can be a hold unless you want to throw the question. You have to vote on the question, if your question was on the vote or you just had a question.

MR. DEFAZIO: No. When you say question, it means, you know, calling ---.

MR. ROBINSON: Yeah. I think Mr. DeFazio was clear, he wants us to vote. He's tired of all the talking. The Chair is prepared to call the vote. The clerk will call the roll.

MR. CATANESE: Mr. Burn?

MR. BURN: Yes.

MR. GASTGEB: Point of Order. This is on the question and debate; correct?

MR. DEFAZIO: No.

MR. ROBINSON: No, no, no. Let me do this. Let me have Mr. DeFazio clarify his statement. He simply said, question. That means, allow him to clarify what he said.

MR. DEFAZIO: Yeah. I hated to say, cease debate. Then we'd have to take the 2/3 vote. I just said question. I see no more hands being raised instead of giving a second. So I just figured, hey, there's no more questions, why don't we just vote. That's easier.

MR. GASTGEB: That's such a thing, I gather?

MR. DEFAZIO: Oh, yeah.

MR. GASTGEB: We don't need clarification?

MR. DEFAZIO: Yes. He don't have to accept it, but I just said it.

MR. ROBINSON: Well, I asked him if he would hold and anticipate, and I wanted to say a couple things before I called for the vote. But after Mr. Gastgeb made his comments, I recognized that Mr. DeFazio would like us to get on with the vote.

MR. GASTGEB: Thank you.

MR. ROBINSON: I don't have any objection to that, unless someone else has a question. If you have a question, then I'm not recognizing Councilman DeFazio. He got already recognized, and I'll pull that back if someone has a question. If someone has a question before we vote, let's have that question put on the table, so that once we vote, people's questions have been recognized. I believe Mr. DeFazio respects that and will go along with that, even though the hour is growing late.

MR. DEFAZIO: Let's vote.

MR. ROBINSON: No questions? Then the clerk will call the roll.

MR. CATANESE: This is on the bill as amended.
Mr. Burn?

MR. BURN: Yes.

MR. CATANESE: Ms. Danko?

MS. DANKO: Aye.

MR. CATANESE: Mr. DeFazio?

MR. DEFAZIO: Yes.

MR. CATANESE: Mr. Drozd?

MR. DROZD: Abstain.

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 Hawkins?

MS. GREEN HAWKINS: Aye.

MR. CATANESE: Ms. Heidelbaugh?

MS. HEIDELBAUGH: No.

MR. CATANESE: Mr. Macey?

MR. MACEY: Yes.

MR. CATANESE: Mr. Palmiere?

MR. PALMIERE: Yes.
MR. CATANESE: Ms. Rea?
MS. REA: Yes.
MR. CATANESE: Mr. Robinson?
MR. ROBINSON: Aye.
MR. CATANESE: Mr. Martoni?
MR. MARTONI: Yes.
MR. CATANESE: Ayes, 12, noes, 1 and 1

abstention. The bill passes.

PRESIDENT MARTONI: Thank you.

MR. ROBINSON: The Chair will now, pursuant to his word, return physically the gavel to the president.

PRESIDENT MARTONI: Thank you. I'm going to charge you rent on that, too. Liaison Reports.

MR. DROZD: Just a Point of Order.

PRESIDENT MARTONI: Point of Order.

MR. DROZD: I want to read this because Council always does these nice proclamations, and we approve the proclamation. This is a proclamation that you all voted on for Ms. Elsie Hillman, who not only heard that her family's done so many good things --- so many good things for the community. Ms. Hillman and her family have done a lot of good things in their foundation, in giving both their time and their monies to help people throughout these communities and in this region, this state and this country. Here's a letter that she wrote on behalf of what you did in that proclamation, that you honored her here in Council.

Dear Mr. Drozd, what a great surprise it was to receive today the wonderful proclamation in my honor. I read each word carefully as I remembered the evening of the award and the institute of politics. Though I do not think I deserve this public recognition, I must admit to having enjoyed each moment and effort in our community. It is a receiving world that seems to accept whatever so many of us try to encourage. This is true of our Allegheny Council, also --- as a compliment to you. That's what she said. Please extend my thanks to your other members who made this proclamation possible for me, and my best wishes to everybody for a happy and healthy summer. With sincerest regard, Elsie H. Hillman. Thank you, Mr. President.

PRESIDENT MARTONI: That was very nice. Thank you. Any other liaison reports? We'll have them next

weekend, I'm sure. New Business. Ordinances and Resolutions. 7052-12.

MR. CATANESE: An ordinance of the County of Allegheny, Commonwealth of Pennsylvania, directing the County Board of Elections to place on the 2012 November General Election Ballot for the consideration of the County's voters, a referendum question concerning whether the County's Home Rule Charter should be amended to allow members of County Council to run for nomination or election to another elected office, without having to first resign from County Council, provided that they accept no pay or stipends during their candidacy. Sponsored by Councilman Drozd.

PRESIDENT MARTONI: Mr. Drozd?

MR. DROZD: Thank you, Mr. President. I'll make this brief, because I know all of you had a long night. This is something that I think has been near and dear to all of our hearts. Each and every one of you serve so diligently and hard during these times. You serve, in fact, a constituency twice the population of those at the state level and the state legislature, yet are paid far, far less, with no benefits and very little expense monies to cover the expenses. You exceed your expenses in what you do for this county, and I think that this, what is in the Charter, the people really understood what you are, how you do it and where you do it on their behalf. They would agree that you should have any opportunity, because you know, what happens in essence at the local level is, you know so much more, I believe, that what they do at the state.

Many of those that serve at the state and in a congressional level, do not understand what happens in the local politics. You do. And the experience and the expertise you have, you should be able to carry it on to the state and the congressional levels, without having to resign your seat. You serve here with honor, and you should be accorded that honor. And I believe that this is something that's far overdue. I hope this would go into committee and come out very quickly, in order to make the November ballot. And I remind the voters that these people that serve here today are paid the lowest stipend of \$9,000 a year and \$3,000 expense monies, which they far exceed. And they do it from the goodness of their heart, and they serve not for the money, they serve because they care about you and everyone out there. So I hope that

this goes through very quickly, and I would encourage the voters, if this makes the November ballot, to support the efforts, so that this expertise remains on Council, and that it can be someday, if anyone so desires to be carried forth, for the state and the federal levels. Thank you, Mr. President. Thank you, my fellow Council members.

PRESIDENT MARTONI: We'll send that to Government Review as soon as possible. 7053-12.

MR. CATANESE: An ordinance of the County of Allegheny, Commonwealth of Pennsylvania, authorizing the Chief Executive to execute a Deed conveying the County of Allegheny's interest in a parcel to Matthew Keller. Sponsored by the Chief Executive.

PRESIDENT MARTONI: Economic Development and Housing. 7054-12.

MR. CATANESE: An ordinance of the County of Allegheny, Commonwealth of Pennsylvania, authorizing an agreement with the North Hills Eagle Squadron for the operation and management of the Model Aircraft Field located in the County's North Park. Sponsored by the Chief Executive.

PRESIDENT MARTONI: Committee on Parks. 7055-12.

MR. CATANESE: A resolution of the County of Allegheny, amending the Grants and Special Accounts Budget for 2012 (Submission 12-9). Sponsored by the Chief Executive.

PRESIDENT MARTONI: Budget and Finance. New Business.

MR. CATANESE: We have none.

PRESIDENT MARTONI: Notification of Contracts.

MR. CATANESE: None.

MR. FUTULES: I'm sorry. I have one. I'm sorry.

PRESIDENT MARTONI: That's okay.

MR. FUTULES: You went too quick on me.

PRESIDENT MARTONI: We went fast.

MR. FUTULES: I'd like to make a motion to pulling Bill Number 7037-12.

PRESIDENT MARTONI: Second. Okay.

MR. FUTULES: Is there a discussion on it? Okay. This ordinance --- does everybody have a copy of this right here?

MR. BARKER: It was placed in front of all members.

MR. BURN: Point of Order.

PRESIDENT MARTONI: Yeah, we all have a copy.

MR. BURN: Point of Order, Mr. President.

PRESIDENT MARTONI: Yes, yes.

MR. BURN: I think there's a motion to pull the bill, so we have to vote to pull it before we discuss it?

MR. CATANESE: Correct.

PRESIDENT MARTONI: Yes.

MR. FUTULES: I make a motion that we vote.

MR. BURN: You have a ---. We have to pull the bill. We have to vote on that first, I think, sir.

PRESIDENT MARTONI: Yes. We have a motion. Who seconded?

MR. MACEY: I second.

PRESIDENT MARTONI: Question? All in favor?
(Chorus of ayes.)

PRESIDENT MARTONI: Opposed? So ordered. Okay.
Go ahead.

MR. FUTULES: Okay. Time is of the essence of this specific bill and, unfortunately, the committee was to meet on Thursday. And I had some other obligations, so I asked to pull this from the committee and have a discussion and vote on it this evening. This is the --- on behalf of the Tree Vitalization of the Pittsburgh Department of Conservancy and Natural Resources. This is giving us, the county ---. I'd like to have Andy come up and answer --- give us his presentation on it. It's based on getting some grant money for some trees in the park. Thanks, Andy.

MR. BAECHLE: Thank you, Council. What I'm here asking for today, the county's been involved in a TreeVitalize Program, where we're planting trees in the city and in county parks. What we want to do now is move beyond the city and plant trees in communities within Allegheny County. It's a partnership between the State of Pennsylvania, the City of Pittsburgh, County of Allegheny and the Western Pennsylvania Conservancy. What I'm asking permission to do is to ask for a grant from the state of approximately \$200,000. We don't know what the final grant amount will be. And simply, I want to be --- we want to be the pass-through, so we receive 10 percent of that money for administrative fees. We would pass 90 percent of that money on to Western Pennsylvania Conservancy and continue to run the program of planting trees in communities within the county. In the past, the

DCNR was a valid entity to take the money. In the past, the City was the pass-through, but now the trees will be planted outside of the city in communities of the county. It makes more sense for the county to be the pass-through. So I'm asking for permission to accept --- to apply and accept for money from the state, give 90 percent of it to the Western Pennsylvania Conservancy and, also, to accept trees. We've been getting \$20,000 to \$30,000 for the trees in our parks for the last three to four years. Does that make sense?

PRESIDENT MARTONI: That makes a lot of sense. Okay? You have a motion on the floor?

MR. FUTULES: Yes. Yes, I'd like to make a motion to approve.

(Chorus of seconds.)

PRESIDENT MARTONI: We haven't made a roll call yet, have we?

MR. FUTULES: No.

PRESIDENT MARTONI: Roll call.

MR. DROZD: Question on the motion.

PRESIDENT MARTONI: Do you have a question, Matt?

MR. DROZD: Yeah, I do.

PRESIDENT MARTONI: Okay.

MR. DROZD: What concerns me in one thing, where those monies are going to be passed through and how much of those might be eaten up in overhead costs from that foundation. This Council so rightly asked that foundation --- not you, not --- you know, ---.

MR. BAECHLE: Western Pennsylvania Conservancy.

MR. DROZD: That's great. That's great.

MR. BAECHLE: And they have a separate money for operating. Every dollar from the state just goes to the program of planting trees, not any overhead.

MR. DROZD: Just want to make sure those monies go ---. That's great. Thank you, sir.

PRESIDENT MARTONI: Roll call.

MR. CATANESE: Mr. Burn?

MR. BURN: Yes.

MR. CATANESE: Ms. Danko?

MS. DANKO: 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?
(No response.)
MR. CATANESE: Ms. Green Hawkins?
MS. GREEN HAWKINS: Aye.
MR. CATANESE: Ms. Heidelbaugh?
MS. HEIDELBAUGH: Yes.
MR. CATANESE: Mr. Macey?
MR. MACEY: Yes.
MR. CATANESE: Mr. Palmiere?
MR. PALMIERE: Yes.
MR. CATANESE: Ms. Rea?
MS. REA: Yes.
MR. CATANESE: Mr. Robinson?
MR. ROBINSON: Aye.
MR. CATANESE: Mr. Martoni, President?
PRESIDENT MARTONI: Yes.
MR. CATANESE: Ayes, 13, noes, 0. The bill

passes.

PRESIDENT MARTONI: Okay. Public Comment on General Items. Harry Liller. Harry?

MR. LILLER: My name's Harry Liller, 438 Ruxton Street, Pittsburgh, PA. I have a plan to save all the Port Authority bus routes. I have letters to Ms. Elsie Hillman and Mrs. Teresa Heinz Kerry. I only have enough time to read Mrs. Hillman's letter into the public record. Dear Elsie, I am reading my letter to you at the July 3rd, 2012 Allegheny County Council meeting. The meeting is televised, so the corrupt Pittsburgh media cannot ignore it.

Tom Corbett ran TV commercials complaining about state vehicles. What a hypocrite. Now Corbett is giving state cars, SUVs and Lincolns to his wife and the wives of Cabinet members. All state politicians drive brand new SUVs, Lincolns, paid for by the taxpayers. This is the arrogance and public transportation for politicians while they cut bus routes for whole communities. Enclosed are newspaper articles from the public, complaining about their bus routes being eliminated while your conservative Republicans drive around in brand new SUVs and Lincolns.

My plan states, fire 400 management positions, state and federal help to pay off the \$64 million deficit. This plan will save all the bus routes. Do you really want to ignore me while the working poor, elderly, students and the black community lose public transportation? I beg you to get involved. My other letter is to Mrs. Teresa Heinz Kerry, where I'm asking her husband and Joe Biden, to have the federal government pay half our deficit. That's \$72 million the federal pays off.

I'm asking Ms. Hillman to go up to Mr. Corbett and say, cut the other \$32 million off the deficit, so the deficit will be wiped out this way. We cut the 400 management positions to cover the deficit in the future. There are over 700 management positions. That's more than drivers. That's more than mechanics. And the February public meeting, I stated, you are not a county firm. You're a motor transportation company. My plan saves every bus route, but the media will always hurt us. The media doesn't care about public transportation. I saw Mike Pitak (phonetic) on TV say, I have a car. I don't care about the Port Authority. Here's the Allegheny County --- Allegheny Institute, so screw you. And that's what they're doing to us. And they keep doing it time and time again. At that public meeting, 300 people cheered me, but the Pittsburgh media cut me off and actually showed the guy before me when he said, just like Corbett, no safe money. It's all your fault.

This is what we're going up against every year. So I have copies for all of you, and don't underestimate me, because I'll be back.

PRESIDENT MARTONI: Thank you. I think Ken Miller left. I don't see him. Okay. Motion for adjournment?

(Chorus of motions.)

(Chorus of seconds.)

PRESIDENT MARTONI: Moved. Second. All in favor?

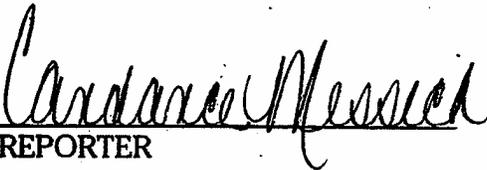
(Chorus of ayes.)

PRESIDENT MARTONI: Approved. So ordered.
Thank you.

MEETING ADJOURNED AT 6:49 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.


REPORTER