

**SPECIAL CITY COUNCIL MEETING MINUTES-December 29, 2009-Page 1**

Mayor Eisaman called the meeting to order at 4:00 p.m. City Administrator, Susan Trout, took roll with the following members present: Councilman DePasquale, Councilman Peterinelli, Councilman Tridico, Councilman Finrock and Mayor Eisaman. City Solicitor, Timothy McCormick and City Treasurer/Fiscal Director, Mary Perez were also present.

**\*\*\*PLEDGE OF ALLEGIANCE\*\*\***Mayor Eisaman

**\*\*\*BIDS\*\*\***

**Purchase and Installation of Parking Equipment.** Ms. Trout, “We reviewed the bids that were opened last week at a public opening on December 22, 2009. Mary Perez, the Fiscal Director, Bob Charley and I have been reviewing this process for a number of months visiting garages and looking at equipment. We had two bidders bid on the equipment. The equipment is for two garages; the Hutchinson Garage at the hospital and the Robert A. Bell Garage located at the rear of the Courthouse. I am making the recommendation to Mayor and Council that we go with the higher bid from CTR Systems in Warrendale, PA in the amount of \$139,271 for the Hutchinson Garage and \$159,428 for the Robert A. Bell Garage for the fact that the PSX bid did not meet the specifications in three areas. In my opinion, three critical areas that will create more labor-intensive work on the City’s behalf in order to maintain and monitor the equipment.”

<b>Bidders:</b>	<b>Bid Price - J. Edward Hutchinson Garage</b>	<b>Bid Price - Robert A. Bell Garage</b>	<b>3-Year Service Plan effective at the End of 1-Year Warranty</b>		
			<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>
<b>PSX, Cleveland, OH</b>	<b>\$121,722</b>	<b>\$132,772</b>	<b>\$6,390 Hutch</b>	<b>\$6,598 Hutch</b>	<b>\$6,813 Hutch</b>
			<b>\$6,970 Bell</b>	<b>\$7,197 Bell</b>	<b>\$7,430 Bell</b>
<b>CTR Systems, Inc., Warrendale, PA</b>	<b>\$139,271</b>	<b>\$159,428</b>	<b>\$6,905 Hutch</b>	<b>\$7,089 Hutch</b>	<b>\$7,230 Hutch</b>
			<b>\$8,050 Bell</b>	<b>\$8,211 Bell</b>	<b>\$8,375 Bell</b>

Mayor Eisaman, “What are those areas?”

Ms. Trout, “The first area is with the new equipment with exceptions you can do mass validations; with the PSX equipment you cannot.”

Mayor Eisaman, “What is mass validation?”

Ms. Trout, “If you wanted to enter into an arrangement with the Palace Theatre where they wanted to sell parking in conjunction with the tickets, you could create validation so you can give a ticket to each person to be let out of the garage included in their fee for being at the Palace for a show. With the other equipment from PSX you can’t do that. You have to do it on a ticket-by-ticket basis. The second reason is because the PSX equipment doesn’t

give change in dollar bills. It only gives change in coin. The third reason is because CTR's equipment has a bill recycler, so the bills that you're placing in it can also be recycled for change coming out of it. The PSX equipment doesn't do that. What that does with us is better accountability of the money coming in and going out. That's the long and the short of it."

Solicitor McCormick, "Mayor, in reviewing these bids the question before Council and myself is in taking the higher bid amount is the deviation from the specs what would be considered a material deviation? I don't think there's any way to avoid the conclusion that they are material deviations especially if you look at the purchase of these as ultimately something that is hoping to be a cost-cutting measure. Unfortunately, it may lead to replacement of some labor costs that we have, and to not look at these as material, it sort of defeats the purpose of purchasing them in the first place. If they're not doing what they're designed to do, and again you can't put a specific number on it, the bid amount that Sue was recommending is not inconsiderable compared to the lower bid amount. It's approximately \$45,000. Ultimately the savings to be gained if the system is doing what it's supposed to be doing should be much greater than that. Also, Sue, it's my understanding in reviewing these machines there was actually field work done where you, Mary and Bob Charley went out and actually looked at the machines in place in other locations and that type of thing. While this isn't part of her recommendation I think it's worth stating for the record, these machines, as I understand it, will be outside. They won't be exposed to the elements necessarily, but it's not like they'll be in a separate, climate-controlled room. I think the feeling is the CTR Systems, Inc. mechanically is a more sound system in conjunction with the exceptions she noted which will only lead to increased labor costs which I already pointed out. I'm convinced that the exceptions are material which would allow us to avoid the normal bid requirements which would require the awarding to the lower amount. They're not equal bids in the sense that there are different items; one machine does certain things better than the other machine does and that would lead to cost cutting."

Mayor Eisaman, "With regards to warranty and access to people, obviously PSX and CTR both have people in this area to service the equipment since one is from Warrendale and one is from Ohio?"

Ms. Trout, "They both have offices in Pittsburgh."

Mayor Eisaman, "They both have a one-year warranty?"

Ms. Trout, "We bid it to come with a one-year warranty, but we also bid it with one-through three-year warranty costs in case we wanted to take advantage of it now. Mary, Bob and I have been talking about this throughout the day whether we want to go with the warranty now; wait and see how the equipment operates. I think at a minimum we should probably take a look at approving the warranty costs but not activating the warranty until we're satisfied with the equipment after the one-year that's paid for in full."

Mayor Eisaman, "So actually year one of the warranty is actually year two of the process?"

Ms. Trout, "Correct."

Councilman DePasquale, "I know we've been through this a couple of times but when would you expect this to be operational?"

Ms. Trout, "The winning bidder would need approximately 12 weeks for the equipment to be ordered and to come in, so we're looking at the end of spring or the beginning of summer."

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Mayor Eisaman, "And the revenue for the Hutchinson Garage would come from the Parking Revenue Fund?"

Ms. Perez, "The Hutchinson Garage would come from the Hutchinson Garage and the Bell Garage would come from the Parking Revenue Fund. We will be financing these pieces of equipment and that will need to be approved at a later date. Obviously if we would approve financing at this point that price would not still be valid in a three to four month timeframe."

Mayor Eisaman, "Are we looking at a five-year lease with a dollar purchase?"

Ms. Perez, "Yes, it would be a five to seven year period."

Councilman Peterinelli **MOVED** to approve the bid from CTR Systems, Inc. as presented, and Councilman Tridico **SECONDED**. No further discussion. **All voted unanimously to approve the bid.**

### **\*\*\*COMMENTS/BUSINESS FROM THE FLOOR\*\*\***

**Kathleen McCormick, 10 Moreland Avenue, Greensburg, PA.** Ms. McCormick, "I would respectfully like to address Council and the City Administrators this afternoon. Thank you for all your hard work and countless hours spent on the budget. Although we may disagree on some points we all have the same goal of doing what is best for the citizens of Greensburg. On December 8, 2009 I gave each Administrator and Council member a letter addressing some of the questions that I had about the upcoming budget for 2010 as a Councilwoman-elect. I did not receive a written response for those inquiries as requested, so now I am taking this opportunity to make my concerns public. On December 8, 2009 Councilman Finrock said that government is not free and I couldn't agree more. Taxes are a necessary evil and for the most part citizens know and do not object to paying taxes but they do object to wasteful spending of their tax dollars. Although it has been stated that I won the election on the basis I objected to the tax increases of the last two years, that is only partly true. More importantly the citizens elected me because of two words; transparency and respect. They want to know where their tax dollars are being spent and how. They were alarmed to find out that those Administrators and non-union employees were getting 2% pay increases in 2010 because many of them are facing income reductions. All of the reserve is used in the 2010 budget and it leaves us with nothing for 2011. I agree with Mr. Lazarchik who said and stated in the last meeting our wage tax increase for next year is too optimistic. Two of my neighbors from the same household lost their jobs in the same week. My very dear friend recently had to take a job in which she travels an hour each way on the turnpike to make less than she made on unemployment just so she won't lose her home in Greensburg. There are countless stories of either job losses or as in my own family my husband had to take four weeks without pay and a pay cut. We are thankful because he still has a job. My heart goes out to the City employees who lost their jobs and to all of those who are suffering during these tough economic times. From the information which I've been given the justification for the pay raises is the additional 27<sup>th</sup> pay period, which all that is doing is taking the same amount of money and dividing it over an additional pay period. A large pizza pie is still a large pizza pie no matter how you divide it up. This upcoming year's forecast for job recovery does not look good. Being an educator my entire career has taught me to always look forward. Educators are always implementing new ideas; always looking to get better results. We

know that someone can build that better mousetrap. As a City we can take this crisis and turn it into triumph. This may be the opportunity we have been waiting for to try new ideas, implement new techniques and explore how we can cut costs and run on less more efficiently. Transparency in City government is what the citizens want and now is our opportunity to show them that we can achieve this request for them. I suggest that we begin a zero based budget. We need to go back to ground zero and show where every dollar is being spent. This is a data driven society and we need to show the taxpayers each month at the Council meeting where the monies are coming in and where the monies are going out in line items. We need to analyze the data to improve our cost savings. A line item, zero based budget is what the City needs. During the coming year while I sit on Council I hope that we can take a look at some of the cost saving measures that I have proposed. We need to have a vehicle policy to determine whether take-home vehicles in a 4.2 square mile area are necessary. From the information I was given by the Mayor there doesn't seem to be a vehicle policy for the City. The 2007 and 2008 figures state that the Fire Chief and seven other City employees receive take-home vehicles. They are all designated as being necessary for public safety. Now I am not here to judge whether these are necessary or not. What prompted my inquiry into a vehicle policy was when I saw a public official go to vote with his wife in a City-owned vehicle on Election Day. Are we to take take-home vehicles to be used for private use? According to the 2007 and 2008 figures just the gas and maintenance alone came to over \$32,000. And, Mary, why didn't you give me 2009 figures for gas and maintenance? Shouldn't these be available? Some of the vehicles probably have changed in 2009. When you are trying to save tax dollars this is one area that needs to be explored. Should employees receive discounts on recreation and yet rates increase for all other citizens? The information I was given shows that employees received a total of over \$3,000 in discounts for the pool and golf course. Increased fees in recreation hurt those that can afford it the least. Can we eliminate unnecessary overtime? Can hospitalization costs be contained by raising the amount of employee contribution to their health care? I asked for the employee contribution to their health care for the non-union employees, but I did not receive that information. Can Mt. Odin be leased to a corporation releasing the City from the burden of running a costly business? Twenty-six percent of the 2010 budget for parks and recreation is dedicated to Mt. Odin and yet Mrs. Trout tells me that it is losing money. The position of Treasurer as an elected official was eliminated from the Charter and changed to an appointed position. The duties of Treasurer and Fiscal Director are one in the same as stated in many public documents, so why are we still paying \$3,600 for a Treasurer? The document I was given by the Mayor has raised more questions that will need addressed. For example, why has the Solicitor's salary doubled in the last several years from around \$20,000 in 2006 to almost \$40,000 in 2010? And why has our contribution gone from \$20,000 to over \$85,000 for the Greensburg Development Corporation? These last two items actually went down slightly in 2010. They were higher in the 2009 budget. Why does the sign maker get a budget of over \$45,000? Who is the sign maker and why is there an item listed under miscellaneous that is legal/advertising/engineer for \$81,000? I would like it explained. How are these three jobs listed as one? As I've stated before a line item, zero based budget might be an option we need to look at so that we can contain costs and run the City more efficiently while at the same time allowing the government to be more transparent for the citizens of Greensburg. I know that the easy part of winning the election and the hard part

of governing lay ahead for me. Thank you for allowing me to share my suggestions and ideas. My only desire is to serve the citizens of Greensburg to the best of my ability. Serve being the key word, I ask that as we serve the citizens we all look to move the City forward in the best way possible. The citizens want true, transparent government they can believe in. They want a restored faith in the government that serves them. They want to feel that their hard earned tax dollars are spent wisely in both times of plenty and times of hardship. As they tighten their belts and work harder to get through these demanding times on less, it is important that our City government sets the example by finding the ways to do the same. Government is necessary and it is not free, but it should not be an unnecessary burden on those that struggle to do the right thing. Thank you.”

Mayor Eisaman, “You had said nobody responded?”

Ms. McCormick, “Not in writing, no Sir.”

Mayor Eisaman, “I thought I dropped off a letter to you.”

Ms. McCormick, “You did not drop off a letter. You dropped off some facts and figures; you did not sign your name to it.”

Mayor Eisaman, “In writing.”

Ms. McCormick, “No, you typed it and you did not sign your name to it, Mayor.”

Mayor Eisaman, “I thought dropping it off personally at your house.....”

Ms. McCormick, “Well, you just gave me some; I have it here. It’s not a personal letter.”

Mayor Eisaman, “That’s fine. I did it Saturday afternoon and I did not personalize it. I apologize; I’m sorry. I’d like to respond. We have looked in the past year to lease Mt. Odin and the one or two companies that looked at it on a National level said if they took over the lease it would still be a money loser to us and we would not see a profit for probably three, five or seven years if any. We look forward to a new set of eyes working with Council.”

**Greg Lazarchik, 910 Kunkle Avenue, Greensburg, PA.** Mr. Lazarchik, “Mayor and members of Council, I want to thank the City Administration for their full cooperation in providing information to me to help evaluate the budget. It was very helpful. However, I’d like to suggest you review how the budget is presented and is sure that it complies with City Ordinances in the future and have that budget complete and ready for public inspection at least 20 days prior to its adoption as required by the regulations. The Ordinance I refer to is C-66, Budget Content. A careful review of the budget by a citizen is difficult to do in the short time provided; 13 working days and those are the only days we can communicate with somebody at City Hall trying to get information back and 20 days total. Let me not reiterate all the items that are supposed to be included in the budget but talk about the ones I think are short. It’s supposed to begin with a general summary of its contents. Now while Councilman Finrock made a statement at the Council meeting on December 8, 2009, as of this date those minutes have not been published on the City website. So there is no summary that was given to us when we got the budget. Secondly, you’re supposed to show the number of proposed employees and annual salary schedule in every job classification. Now we got a schedule that shows the job classifications, but a lot of them are marked in plural like sergeants in the Police Department, lieutenants in the Police Department, electricians and laborers. We’re supposed to, by every department, according to the Ordinance show the head count and the total head count for the City so you can compare. And probably the most important and most difficult one that made it

more difficult to analyze what's going on is that the data is supposed to be arranged to show competitive figures for actual income and expenditures for the current fiscal year and the actual income and expenditures of the previous year as compared to the budget proposed for the next year. That was not done. Lastly, there is supposed to be a schedule of capital expenditures by department, agency and office for the ensuing year and a five-year financial plan and financing plan included in the budget. When I was finally given what was originally the budget on December 9, 2009 it did not include any summary narrative nor did it include any year-to-date figures nor did it include any 2008 actual year-end expenditures for comparison to the proposed budget. The 2010 budget did not include any summary by department showing how they will accomplish their budget cuts shown in the departments and why major increases were needed. We have a right to know how service levels will be affected in the budget. It's easy to see the first three departments all had increases and Parks and Recreation and Public Works made up the deficit is the way it comes out in the budget. Now I'm not sure that the spending of last year's surplus leaving no contingency fund, layoffs, suspending street paving and reduction in maintenance and supplies for the City's capital assets is the right way to pay for increases in police salaries, hospitalization insurance and utilities when there's no discussion as how service levels will be affected. There may be ways we can cut 30% on maintenance supplies for the swimming pool; there may be ways we can cut the maintenance 20% for the City buildings, but I didn't see any explanation of how that was going to happen so I have my doubts. I believe if a water pipe breaks in the basement we're going to fix it whatever it costs. If we're saying we were spending 20% too much on maintenance in past years that's one thing, but, of course, there is no narrative in the budget so we only look at the numbers. I'm just saying I have a hard time believing the figures that we have. So in summary as I said in our previous meeting I feel there is downside risks in your revenue forecast for 2010; there's upside risks in the expenditures of the budget. The situation may result in a deficit by year-end and call for a budget crisis in 2011. One other point, I urge Council to publish the minutes for their meetings in a more timely manner. As of today the last Council minutes on the City's website are for October. I don't understand any reason why. Supposedly the last meeting December 14, 2009 which did not have the budget on the agenda, correct me if I'm wrong, but that was supposed to be the 'public hearing' on the budget. It's hard to say it was a public hearing on the budget if it wasn't in the agenda for the meeting. We are allowed to make comments and we are invited to make comments because I was in communication with Administration asking about the budget but the rest of the public didn't know that was supposed to be a public hearing. According to City Ordinance, C67B, there's supposed to be a public hearing on the budget not less than 15 days prior to its adoption. You had a special meeting on the December 8<sup>th</sup> where some comments were made on the budget and it was discussed and the minutes of that meeting have never been published prior to today's meeting when you're going to adopt the budget. I think from people on the outside if you're interested to find out what's going on it's not too easy and it's hard to make an intelligent judgment about our budget. I'm not asking for a tax increase. I'm not saying I'm glad that we're not getting a tax increase, I'm saying if my street falls apart I'd like to see the City maintain the quality of life that we have in the City and I'd like to know how you're going to do it with all these kinds of cuts. And if all we did is say no tax increase so then whack everything that is not union-controlled or under contract, I'm not sure that's the way to run the City. Thank you."

Mayor Eisaman, "I don't know why the November minutes wouldn't be on the website yet. And the December 14, 2009 minutes have not been approved yet; that's why they haven't been added yet. I don't understand about the November minutes, but I will check into that and I apologize for that."

Mr. Lazarchik, "There's really no reason why the minutes can't be published soon after a meeting and if there are changes necessary they can be amended at the first official meeting. You just put an extra 30 days away for people that want to be informed and stay up on the process. You know a lot of associations do that. They publish the minutes and the first thing they do with the next minutes is ask if there are any addendums or changes to the minutes as published. Then that becomes final."

Mayor Eisaman, "I'm not disagreeing with you."

Mr. Lazarchik, "Then you can have them up within two or three days of the meeting so we know what's going on."

Mayor Eisaman, "I agree."

**Dom Spino, 208 Center Avenue, Greensburg, PA.** Mr. Spino, "I don't expect any applause for this. The New Year is coming up and when I say Happy New Year, I mean it. It's not a title; it's an expectation. So we've heard a lot of things today and some good ideas. I think Council has some good heads and they can take this, process it and work with all Greensburgers. I don't think there's an us and them. I think we're one City that has to work together. I think if there's a reason why Greensburg is more connected than some other communities it is because there has been some communication. I've spoken to Ms. Trout and some others and I hear what I'm listening to from the audience. Obviously the decision is going to be made when there's new information brought forth from the floor. Maybe for the future and what I've proposed is so that these ideas, whether they have to do with taxes or other concepts having to do with the City, there could be a volunteer ombudsman. I'd do it myself or you could find someone to do it. Frankly, I don't know if my future is in politics, but it's certainly not in poker and I could use a handkerchief for my forehead or something for my heart right now. I think that maybe this is a way we can all come together; take these great ideas, implement them beforehand or understand what's going to be said and come to these meetings with a great deal of unity. I close with saying Happy New Year and again it's not a term it's something to be made and I think it's certainly achievable. Thank you."

**\*\*\*ADOPTION OF BILLS AS ORDINANCES\*\*\***

**BILL NO. 12 AS ORDINANCE NO. 1987 – AN ORDINANCE OF THE CITY OF GREENSBURG, COUNTY OF WESTMORELAND AND COMMONWEALTH OF PENNSYLVANIA, FIXING THE TAX RATE FOR CITY PURPOSES FOR THE YEAR 2010.** Ms. Trout, "The adoption of Bill No. 12 fixes the Real Estate Millage for 2010 and it remains the same as was introduced."

Councilman Tridico **MOVED** to adopt Bill No. 12 as Ordinance No. 1987, and Councilman DePasquale **SECONDED**. No discussion. Roll call vote was taken. **All voted unanimously to adopt Bill No. 12 as Ordinance No. 1987.**

**BILL NO. 13 AS ORDINANCE NO. 1988** – AN ORDINANCE OF THE CITY OF GREENSBURG FIXING THE NUMBER OF OFFICERS AND EMPLOYEES OF ALL DEPARTMENTS OF THE CITY OF GREENSBURG AND RATES OF COMPENSATION THEREOF FOR THE YEAR 2010. Ms. Trout, “The adoption of Bill No. 13 sets forth the wages for all officers and employees of the City of Greensburg for the year 2010 as it was introduced.”

Councilman Peterinelli **MOVED** to adopt Bill No. 13 as Ordinance No. 1988, and Councilman DePasquale **SECONDED**. No discussion. Roll call vote was taken. **All voted unanimously to adopt Bill No. 13 as Ordinance No. 1988.**

**BILL NO. 14 AS ORDINANCE NO. 1989** - AN ORDINANCE OF THE CITY OF GREENSBURG, COUNTY OF WESTMORELAND AND COMMONWEALTH OF PENNSYLVANIA, APPROPRIATING SPECIFIC SUMS ESTIMATED TO BE REQUIRED FOR SPECIFIC PURPOSES FOR THE CITY GOVERNMENT HEREINAFTER SET FORTH DURING THE YEAR 2010. Ms. Trout, “The adoption of Bill No. 14 sets forth the proposed budget for the City of Greensburg for the year 2010 with the following amendment: the disbursement for Fiduciary Fees in the Police Pension Plan Fund is changed from \$82,000 to \$60,000. The Police Pension Committee agreed to remove an expense of \$22,000 which was potentially scheduled for consulting fees. We are not going to enter into that consulting fee agreement. That is the only amendment to all of the budget for all of the funds.”

Councilman Finfrock **MOVED** to adopt Bill No. 14 as Ordinance No. 1989 as presented by the City Administrator with the amendment, and Councilman Tridico **SECONDED**. No discussion. Roll call vote was taken. **All voted unanimously to adopt.**

**BILL NO. 15 AS ORDINANCE NO. 1990**– AN ORDINANCE AMENDING CHAPTER 151, KNOWN AS ‘FEES’, OF ORDINANCE NO. 1646, THE CODE OF THE CITY OF GREENSBURG, CHANGING AND/OR ADDING CERTAIN FEES AND/OR LANGUAGE FOR CERTAIN CITY SERVICES. Ms. Trout, “The adoption of Bill No. 15 adds and/or deletes services and/or fines and fees and increases and/or decreases fees charged for certain services and for fines in certain departments in the City of Greensburg. Again, this is up for adoption as presented as it was introduced.”

Councilman Peterinelli **MOVED** to adopt Bill No. 15 as Ordinance No. 1990, and Councilman DePasquale **SECONDED**. No discussion. Roll call vote was taken. **All voted unanimously to adopt Bill No. 15 as Ordinance No. 1990.**

**\*\*\*ADJOURNMENT\*\*\***Councilman Finfrock **MOVED** to adjourn the meeting. **SECONDED:** Councilman DePasquale. Unanimously all voted in favor to **adjourn.**

**RESPECTFULLY SUBMITTED:**

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**Susan M. Trout, City Administrator**

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