

The Borough of Munhall
Regular Council Meeting
Wednesday, February 19, 2014
7:00 PM

Council President, Dan Lloyd, called the meeting to order with the Pledge of Allegiance. Immediately following he asked for a moment of silence for a recently deceased public works employee, Larry Beatty.

Councilman Lloyd advised that executive session met at 6 pm to discuss some personnel and litigation issues. Mr. Lloyd then announced that no decisions were made during the executive meeting.

Harry Faulk then proceeded with roll call and all of council was in attendance.

Councilman Lloyd advises that before we begin, there are two people who wish to speak. He first called on Mayor Bodnar.

Mayor Bodnar spoke saying that contrary to some of the news that is non objective, he wanted residents to know that "Munhall did not crash or go to hell". He states the borough just has to get over a "bump or two" because of issues caused by some "slimy snakes" who caused financial problems. He commented on recent Facebook and Twitter post by others. He stated that the borough asked for money and "you did it. We asked and you did it." "When we cried out because of irresponsible things that happened, you came running with your checkbooks". "There were lines at the tax office". He is pleased and happy and states "You are number 1 and it shows what kind of people we have in this town". "There is no question that the future is on solid ground." He goes on to say "we will pay whom we have to pay" over the next few months. Don't panic. The borough was going to have to borrow money to pay money and didn't have to because the people stepped forward. He state the budget was passed and that he did not sign it but he did not veto it. He was not happy that the budget because it did not include money for the dispatchers. Mayor Bodnar then consulted with Solicitor Evashavik that the budget does indeed pass without his signature as long as 10 days passes without his veto. Solicitor Evashavik advises that the budget passes after 10 days without the Mayors signature and it is as if he had signed it. The Mayor advises that he was not happy with dispatch losing their jobs and that he disagreed with Council over this. He asked several questions about who is going to be watching the cameras? Who is going to operate snow and ice? These questions will have to be answered. He again advises the residents that "we are fine" and to "keep smiling". We are moving ahead with all of our activities and Munhall is in good shape.

A resident wanted to ask two questions regarding the Mayors statement but Council President Lloyd asked that he save his questions for later.

Councilman Rick Brennan advised he was glad to see all of the residents in attendance. He wanted to address council regarding his behavior during the workshop meeting. He states that things got out of control and he got upset and took control of the meeting. He apologized to Harvey Inglis for “overstepping his bounds”. And wanted to deliver good news. States he has been working hand in hand with Donna Mercuri and that tax payers have paid \$580,599.40 in tax money.

Councilman Bernie Shields also apologized to shop steward Gene Doyle his actions during their last meeting together. He says that he was “inappropriate”. That he called Gene and they spoke at length and both agreed that things were spoken that were inappropriate. Things are running with high anxiety. Says he had an exchange with Mr. Kondas last week as well and afterwards he gave him a ride home.

Councilman Dan Lloyd stated that the borough and council has been under allot of stress. At the beginning of the year the borough was down to 15K in the checking account and the monthly bills run 290K a month. The council had put together plans A, B and C and it is “now working”. What we take from this is that hopefully we can agree to disagree but we don’t have to get ugly with one another. He states that currently the cash flow is excellent. That we may not have to take the TAN. He states that council wants to be transparent and to move forward positively.

Public Speakers:

1. Ray Kondas -

War Memorial - Mr. Kondas stated that the condition of the War Memorial “sucks” and is “terrible” and “dirty”. He states that councilman Ballas said he would spend money but did not. Mr. Kondas said that he himself fixed the memorial up four years ago and that’s the last time they were cleaned. He feels the memorial should be taken care of.

Grant money for playgrounds – Mr. Kondas wants to know where the grant money (approximately 80K) went that Becky Wehrer put in for almost 2 years ago. When councilman Lloyd spoke to answer, Mr. Kondas said he did not need to hear from him but the residents called out for an answer. Councilman Dan Lloyd said that Ann Lewis of Steel Valley COG worked the grant on and it was submitted for 80K for two playgrounds. They did work at 12th Ave playground. Mr. Lloyd said he objected to the project because he didn’t think we owned the land but they moved forward with the project. He said that he felt we didn’t own the land for the 19th Ave playground. Based on a document he

was given by the engineer Lindey, they went ahead and sent a backhoe up to start work with an outside contractor. Subsequently it was determined that we in fact did own the land but we were landlocked and didn't have access to it because there was no easement to access the land. Mr. Furmen said we had no legal access to the land. So we abandoned that. We had already gone ahead and ordered equipment for that playground and spent some money on it. But we were able to sell the equipment, dollar for dollar, to the Borough of West Mifflin and the balance of the money we had to return because it was a grant and we didn't use it. Councilman Lloyd asked Engineer Lindey to confirm his recollection. Engineer Lindey states that the grant was received through the COG and therefore never reached our bank account. The COG kept the money. Mr. Kondas asked where the money for the equipment went and Mr. Lloyd told him the General Fund. Mr. Kondas was not happy with that and Mr. Lloyd advised that he could come and see the General Fund anytime he wanted. A resident in the crowd asked if the grant for the playgrounds was only for specific playgrounds and Councilman Lloyd advised he was "out of order" but that he was welcome to come to the office at anytime and go through the grant information.

2. Susan Englert -

Pyrotpia - Susan began by explaining briefly what the program is and that they are happy to be at Westfield. She advised she has been working with Harry on some of the details and went on to explain that there will be children's programs throughout the day, various food truck and fireworks/fire displays in the evening. She also asked about working with someone on council about resident and local business discounts as well as getting school district information so they might reach out to the district regarding some of their children's educational programs. She also asked who maintains our borough website so that they know who to contact with updated information as the event gets closer. Both Dan Lloyd and Rob Falce advised they would meet with her.

3. Marvin Brown (415 E. 11th Ave.)

Legal Tax Bill issue - Mr. Brown states he moved in his home in 2011 and never received a bill from Legal Tax until this year when he received notice that they are asking for 2011, 2012 and 2013 past due with penalties and interest. He said that he never received the bills but he wants to pay them and is asking council to waive the penalties and interest and allow him to pay all of 2011, 2012, 2013 and 2014 within the next 60 days. He says he was not notified when he moved into the area that he had to reach out to Legal Tax to set up garbage billing. Councilman Shields states this is becoming too frequent that

he hears that Legal Tax waits years before contacting a resident regarding their service and wants to tack on penalties and interest for bills that the resident never received. When the resident tries to explain that they did not now to contact them, they refer them to us. There was a short discussion about how there needs to be a better way of notifying residents (maybe a short checklist at the time of the occupancy) of all of the utilities they need to contact. Dan Lloyd and Bernie Shields both referred him to Harry Faulk. Dave Cannon then commented that the borough should have Legal Tax send certified letters for collection accounts. That way they will have proof that they have been sending bills out to residents who say they have never received a bill before.

4. Junior Graham –

Pension Funds – Mr. Graham was not in attendance.

5. Linda Walters (205 Emerson Ave) –

Code Enforcement Objectives – Mrs. Walters questions are of code enforcement and building inspection of homes. Mrs. Walters feels that she does not receive answers when she comes to meetings. States her mother paid hundreds of dollars to bring her house up to code (before the closing) but the house next to her current home, that she feels was in a “condemned state” did not have to do that. She feels the codes are not always enforced before closing as she understood they were supposed to be. She asked Dave Cannon if she was correct about this issue and he advised that she was incorrect. She then stated that this is what the code book says. Mr Cannon again states that this is not what the code book says. He then explained that the book states that he, as the code enforcement officer can issue an occupancy permit or a temporary occupancy permit. He advised her that there was a book in the borough office that she requested and never picked it up. Mrs. Walters stated that Mr. Cannon picks and chooses who has to be up to code and who doesn’t. Mr. Cannon said, “Yes” and began to explain. Mrs. Walters then advised she had her answer.

Mrs Walters then went on to say we were told by councilman Brennan that we were the best town and that we should feel lucky to live here. She feels that as long as the codes are enforced as Dave Cannon ‘feels he should’ then there isn’t consistency and the property values are already sinking because of these procedures. “People are moving out of here like crazy. And they want to move.” She states that her point is that there has to be more consistency in code enforcement.

Note: As Mrs. Walters was returning to her seat, Dave Cannon handed out copies of his prints of work done on 201 Emerson Ave.

Councilman Dan Lloyd states that we have stepped up our code enforcement over the last few years and that Dave Cannon has been a big part of this process. He states that we purchased software. We track deficiencies on homes. In the first 30 days of crisis, with this new management team, there were meetings to discuss housing and housing conditions, flipping houses and housing rentals, how we can improve the process and how to get more people interested in home ownership and improve house stock overall to increase property values. Councilman Lloyd states Mr. Cannon was at the meeting as well as the Solicitor. He states that the process has been started but it will not “happen overnight”.

Councilman Rick Brennan then spoke saying that he understood Mrs. Walters position but that she is very lucky. He then explained that there is another resident, Mr. Cory, who has an issue where there is a vacant home across from him that has people moving in and out of it without anyone’s knowledge of who they are. He states this is why she is lucky. She knows who is next to her. She knows that Mr Cannon has been in the home next door and he knows what has been done and needs to be done to complete the work. He took pictures. Mrs. Walters then said that Mr. Cannon took pictures of paint and that is not in code. Stating they painted the walls but that is not in code. She states again that her mother had to put hundreds of dollars into her home to bring it to code. Councilman Lloyd then stated that sometimes it is the mortgage company that causes this and it is they that insist that things be done before they will close, then there is the borough code enforcement and then you have to have a dye test. Sometimes the circumstances are different depending if the person is buying the house on a land contract or “as is” basis.

Councilman Lloyd asked Dave Cannon to address Mrs. Walters concerns. Mr. Cannon states that when a home is for sale, people can sell it “as is” meaning that the seller has no money to put into it, the buyer has to put the money into it. And at that time, he will issue a temporary occupancy permit. He states that 60% of the permits he issues a year are “as is” sales. He states that he will issue temporary permits depending on what the real estate company tells him.

Mrs. Walters then brought up information about the last house owned by Mr. Washington at 201 Emerson, stating that “these people” owed back taxes on that house and why would we want to bring that to Munhall. The owner states that he no longer owes those taxes and that has nothing to do with his current ownership of 201 Emerson. Councilman Lloyd brought the meeting back to order. Dave Cannon states that he feels that Mrs. Walters is upset because she tried to purchase 201 Emerson but did not get it. Mrs. Walters denies this.

6. Peggy Vakerak - 14th Ave

State of Borough -

What is status of 911? When will 911 be voted on?

She states that she understands that it is not a “flip a switch” and everyone would be ready but she also knows that it is not funded and that the fire chief researching it. She would like an update.

Mrs. Vakerak is asking who Dave Cannon (Code Enforcement Officer) reports to? She states that she has defended him and doesn't want his position but people tell me that he has an attitude and they need to know who to go to when they have a problem with him. She states that people have felt “harassed” by him or “disservice” by him and they need someone to go to if they have an issue.

As far as 911 - Dan Lloyd informed Mrs. Vakerak that current dispatch is funded through 4/1/2014 and regarding 911, Pat Campbell and Matt Pisarcik have been working with Allegheny County and those meetings have been going well. There have been at least 3 meetings to date. Council has asked Police and Fire to present them with a list of equipment that is needed. The plans are in place and the resources will be ready by the launch of 911 when we need them. WE may not be ready but County 911 will be ready when we need them. Mr Lloyd assured Mrs. Vakerak that we will not launch if we are not ready. Mr. Lloyd states the reason we have not voted is because we are not ready to make that transition. He asked Councilman Brennan to also speak to this issue. Mr. Brennan states that he visited County 911 and he had not been sure which way we should go with this issue. He said that he was “so impressed” with the tour. He states it is not an easy decision and by his own conscience, he needed to visit to see what was there. To see the operation and to see what they would bring to our Borough. He states what they bring, we don't have. He states the technology they have is far superior to what we have.

Mrs. Vakerak states that she wishes the chief was here because what we do have is a dispatch that has been there for her when she has called in a panic and couldn't remember her own address. When someone has shot into her home or when the person that has shot 7 shots down the street and is getting into a car directly in front of her front door and dispatch says they will have someone there. That's what we do have.

Councilman Brennan agrees that 911 will not have that connection. Its not there. But what is there is the technology. Mrs. Vakerak began to talk and Mr. Brennan asked that she allow him to talk as he was trying to explain. He had

allowed her to speak and now he would like the chance to do so himself. He explained that 911 will be able to locate her by GPS capabilities and they will know where she is. He went on to explain that there indeed are going to be differences and that he understood that our current dispatch has the personal touch. He stated that there is no denying that but that having spent time with County 911 he has no doubt that it will be a greater benefit to the community.

Dan Lloyd asked Mrs. Vakerak what her other question was and she asked again about who Mr. Cannon reports to. He advised that there was a recent administrative change and he now reports to Harry Faulk.

Mrs. Vakerak states that addressing Mr. Brennans comments, while she was in Penn Hills, not Munhall, she experienced being put on hold with 911 and she promises, not a threat, she will “come back from beyond” if something should happen to herself or her family because of the change.

7. Loraine McAfee – 217 E. Larksburg

Past Taxes – Mrs. McAfee has been served with papers regarding past school and wage taxes. Each of these taxes is paid through her mortgage company Wells Fargo and she has proof from Wells Fargo that the taxes in question were indeed paid. She is frustrated because she cannot get resolution to her issue through Legal Tax service that she states is threatening to put a lien on her property. She states that Wells Fargo is willing to send their attorney with proof of payment as well. Councilman Lloyd states that the taxes are collected through our tax office. Mrs McAfee states she has a paper, from Donna, that shows she paid her taxes. She states it is Legal Tax who is suing her. Donna states that she pulled all of Mrs McAfees receipts out for her and gave them to her. She said she took them to her home for her. Donna states she assumed this issue was taken care of. Councilman Lloyd asked Mrs McAfee if she took the paperwork to Legal Tax. She replied that she took it there and she brought to two of the last two borough managers (that are no longer here). She states she can not get an answer from anyone. She said she has gotten so frustrated that she decided “so what they will put a lien against my property”. She states she doesn’t have anyone to leave the property to anyway. But now this is harming her credit. Dan referred Mrs. McAfee to Borough Manager Harry Faulk to assist with resolution. Harry asked her to come in the following day so that she and he can reach out to the mortgage company and Legal Tax and get the issue resolved.

8. **Donna Dreshman** – 3629 Forest Ave

States she is asking for someone else. If we go to **911**, the alarm systems that are already programmed to come into the current dispatch office, what will happen with them? Councilman Lloyd states there was a notice in the current tax bill advising that the alarm companies will need to be contacted once the change over to 911 has been made. This was confirmed with Chief Pat Campbell.

Finances – Mrs. Dreshman states that she is grateful for the person who lent the borough money and trust that the interest rate is reasonable. Will we be paying it back as quickly as possible to reduce the amount of interest paid?

Councilman Lloyd stopped the clock to answer the questions as asked. Should we take the loan? Yes. He states that typically the TAN runs the entire year but we are confident that we do not need that much time so we made the period to August 30th. He referred the question to Solicitor Greg Evashavik for confirmation. Mr. Evashavik stated that the loan the loan is to be paid in full within 6 months but must be out at least 3 months. He states that they are discussing it and have not decided to accept yet but again it would be minimum of 3 months and maximum of 6 months. Mrs Dreshman states she saw in the paper that it was payable by September 1st. and Mr Lloyd confirmed that we did place that in the ad because we didn't think we needed the whole year.

Mrs Dreshman then commented that Council had asked the residents to come out and pay their taxes early of which in fact they did. She states that she is not speaking only for herself but for a group of people, confirming the 5.25 % interest, which Mr Lloyd confirmed, she (and the residents) are asking that Council not take a salary to cover some of the interest cost because taxpayers had nothing to do with what happened and the fact that we could not get a TAN. Councilman Falce said that he would agree to the request.

Mrs Dreshman states finance meetings are to be open to the public. She states that there was a closed finance meeting and she understands that these things do happen but can we make sure this doesn't happen again can the Solicitor shed light on the **Sunshine Law**. Solicitor Evashavik confirmed there was indeed an advertisement placed, in the paper, by council, for proposals. The TAN statute DOES give Council the right to negotiate a loan privately (outside of the publics view and participation), although this time Council decided to place an ad publicly and I assure you no decision has been made. You can see its on the agenda tonight and until Council votes to approve it, it has not been approved. There is no loan agreement in place. Nothing has been accepted. So the meeting you speak of, although I wasn't present, from what I understand was simply to seek a proposal to see if the Borough did have any interest from private entity to make a loan to the Borough and place it in review for consideration, in

particularly at tonight's meeting. When the public is present, the public has a right to comment on it as an agenda item. Mr Evashavik states in his opinion, with all the information he received, there was no violation of the Sunshine Act. As they were not even sealed bids. Some came in the form of letters, some came in the form of proposals via email. He explained that the TAN process we do every year is much less transparent than this. The residents are less involved and have less input into that process than they have in this loan process.

Mrs Dreshman asked again if ALL committee meetings are open to the public. Mr Evashavik stated that is a gray area. He said that any meeting with deliberations should be open to the public. So he would say it depends on the subject matter. He states that when there is a quorum (4 of 7) attendees it should always be open to the public. He states that sometimes they meet with 3 just to gather information but if they start to deliberate then they should always error on the side of transparency.

Councilman Lloyd also stated that the reason it happened that day with that meeting was that if there was not going to be a TAN loan and the residents hadn't stepped up and paid their taxes, we would have had to have had an executive session to talk about lay offs. We didn't want to scurry around and make a last minute decision to see what we would financially do. Mrs Dreshman says she understands that and asked again that had anybody from the public come to that meeting would they have been able to come into the meeting. Councilman Lloyd answered "Yes". Mrs. Dreshman said "thank you that's all you have to say".

Mrs Dreshman asked if council had paid their own taxes. Some had some hadn't. She stated, "do not ask the public to do what you won't do".

9. Detective Joe Cibula -

Pension - Sargent Cibula states that he is here because of the PNC pension. States that every couple of years things get brought up for some reason that individuals want to go with some other pension company. Sgt Cibula states that he has a list of employees (Police, Dispatchers, retired, street department) . And he wants it on record that the employees are completely satisfied with PNC investments. States they do not want it to change. It has been successful for all of these years and there is no need to switch. They like that it is a conservative fund, where people lost money in the past in the stock market and he was asked to present this (signature list) for the record. States "if its not broke, don't fix it. We are paying our guys". They don't want to jeopardize losing the money. They are completely satisfied. He wants to present this to the Council President and the Borough Manager and if it does get switched, the employees had nothing to do with it.

Dan Lloyd advised that he wanted to address Sgt. Cibula's concerns as they have been widely reported by the State of Pennsylvania and the Pittsburgh Post Gazette. He states that the 2011 Uniform and Non Uniform comes from the Police under Act 600 per man per pay. That's the law. Our collective bargaining agreement suspended that as long as you didn't get a minimum obligation from our actuary. Form many years and for the record and the reporters that are here, our police pension fund is one of the best pension funds in all of Western Pennsylvania. It is very healthy and is going to remain that way. He explained the other pension fund is only about 77% our non- uniform workers (teamsters). Because this is underfunded, we received state aid and that state aid is based on a very complicated formula which in essence gives 2 points for each police officer (even though your pension plan is fully funded) and gives 1 point for each public works person with the Teamsters. The reason we get a check is because we are receiving some state aid because our public works pension is not fully funded. But it is in better shape than most in Allegheny County. Explained in 2011, we get a payment from the state every year, and we have 30 days to put that payment into the pension fund, and it can be split between the non-uniform and the uniform employee plan. In 2011 we received over \$200,000.00, (he thinks around \$220,000.00 and it was not deposited into the pension fund what-so-ever. It eventually did get deposited and there are checks and balances on that fund but it should have been caught but it wasn't until 2013 and the payment was made. In 2012 we only paid about \$214,000.00 into the fund and in 2013 we paid \$490,000.00 into the two pension funds. This year we have budgeted to pay \$535,000.00 into our pension funds and we will be 100% whole. At the end of last year, when Tim Little was the interim Borough Manager and he saw our cash flow dwindling at the end of the year, he decided to hold back one payment so we would be whole at the end of 2013. But he held back a \$200,000.00 payment so that we would be able to pay our workers. Now we are going to pay a 7% penalty, which is included in that \$535,000.00 payment we are budgeted to make in 2014 and we will be totally whole. Now we have a pension board in Munhall and that board meets twice a year. That is the check and balance and Mr Lloyd doesn't know why the pension board didn't notice, when they met twice, that \$220,000.00 had not been deposited in 2011. They didn't see it and Council didn't notice it either because they never got the report. And in defense of the pension board, they didn't get the report either. He doesn't know why it was held back.

Councilman Lloyd states that he has been "beat up" for asking about what PNC is charging. He asked Sgt. Cibula if he could tell him what we are paying if PNC is charging 5% and answered himself saying it is \$75,000.00. Mr. Lloyd states that if the Police are paying \$14,000 and the taxpayers are paying \$220,000.00 per year into the pension fund he has a duty to ask what the fees are. It is the taxpayers money going into that fund and it is councils obligation to inquire on behalf of the taxpayers. Councilman Lloyd explained about the fees charged by PNC to process the account(s) each month and stated that he feels responsible to check into those fees and look around for more competitive

processing. He states that no one said that the accounts were going to be changed. Just that he wanted to know the fees. Sgt. Cibula asked that there be a meeting with Council and the pension board to discuss these issues when they arise and Mr. Lloyd said that we absolutely can but all he did was ask how much PNC charges us to handle the money and doesn't feel that this was "out of line". Sgt. Cibula states that he has been here 25 yrs and the officers before him 25 yrs have had PNC and they have been PNC and they have "been paying the bills". As he understands it the pension plan is paid by their contributions and the state contributions. Councilman Lloyd states that is not correct.

10. Robert Kalan (2410 Charles St) –

FICA – Mr. Kalan asked if the borough have gotten the issues with FICA straightened out. He states that no employees for 2011 or 2012 that are straightened out with social security. He stated that as of three days ago there are three (3) public works employees that are still showing \$0.00 with Social Security as of last week.

Councilman Lloyd states when this first "came to light", Chief Campbell brought it to his attention. There were several officers went online to see what was paid into their social security. We also had someone from public works who went on to see and was told, by the county, there had been no FICA tax put into his account for 2 yrs. Mr. Lloyd states he immediately went into a panic because the levity of that could have been several hundred thousand dollars (around 273K). He went to Tim Little's office and asked if FICA had been being paid and Tim advised he did not know. Dan states he pulled bank statements personally and saw that FICA had been paid (QuickPay 25K, QuickPay 27K). Two times a month we average between 51 and 55 thousand dollars in social security payments on our bank statements. So the social security payments were made. The difficulty came in, there was a year end 941 report that the IRS didn't have that broke those payments down by individual employees. So they couldn't assign it to individual employees. Harry Faulk has been working on this for several months. Harry states that he spoke to social security and because payroll was done in-house, we never submitted the W2s to social security office. That is why he asked all employees for their 2011 and 2012 W2s. The lady he spoke to in the social security office stated that everything had been paid but there was a reporting error (because there was no individualized listing for them to break down the posting). This is why there were zero balances showing when some were pulling up their accounts. We submitted the first batch on January 6th of this year and the second batch about three weeks ago. We had an employee

come into the office and he went into the website with that employee and the January 6th submission is showing currently. Our latest submission hasn't been uploaded in their system yet. Harry states he is happy to sit down with any employee to go over their submission online. Mr. Kalan said that he believed what Harry was telling him but he asked the same question 6 mos ago and Tim Little told him the same story.

Workmen's Compensation – Mr. Kalan asked why was Excalibur Insurance sending checks to an employee (name not mentioned) and then their check is brought into the borough office and reissued to them with taxes taken out. Does the borough plan on reimbursing the employee all of the taxes? He said if we don't believe it, check the minutes from the August meeting. Answer from Councilman Lloyd - He stopped the clock to say that he understands that sometimes its done in different ways. Prior to 2013, Housing and Redevelopment Exchange, was the payee and was done one way and currently state fund does it another way. States it's also processed differently if they are considered 100% total disability not just the 66 2/3%. If it's a police officer on temporary disability we make up the difference to bring them up to 100% pay. If it's not a police officer they don't get anything additional from us and that check is sent directly to the employee. Housing and Redevelopment Exchange, used to put the check into our account and we would write the check to the employee for the full amount. That is his understanding of how it worked. Now if there is a discrepancy where we took taxes where we didn't know to do that, maybe a former manager, they just need to bring that to our attention for reimbursement.

He also asked if someone is out on WC last year and their salaries were budgeted, where did that money go?

Dan advised the money stays in the general fund. (eruption of dissatisfaction in the room). Dan states when you have someone that's not working, you don't eliminate the shift. He referred the question to Chief Pat Campbell. Pat states that the shifts will go to other people. Other times we pay overtime. Dan states the police budget is up and down because of overtime and some people get hurt. But it does go into General funds.

Child Labor Law - Mr. Kalan asked if the borough is aware that Child Labor Laws were broken when underage children were hired to work for the borough during the summer shifts. He states they worked on the garbage trucks and were under 18 years old. Councilman Lloyd asked Public Works director Bob Bickey (not director at the time in question) to verify and Bob states they may have been working on recycling but he doesn't think they were under age. Mr. Kalan states they were. Mr. Lloyd states he doesn't know anything about it and we have not been contacted by the NLRB.

Mr. Kalan also stated to Councilman Lloyd that he did not appreciate him saying that the residents have a mob mentality (referring to a recent newspaper story) when

they come to council meetings to voice their concerns. Mr Kalan states, “you represent us. Not the other way around.” Mr. Kalan advised he isn’t going away and he will be back every month. He states, “this is a promise. If any of you ever talk to me the way you talk to some of these residents, I will show you a mob mentality”.

11. Rick Brennan –

Councilman Brennan asks **what are we doing with #3 Fire Station?** Is it going to sit there and keep deteriorating?

Why do we keep doing business with people we are in litigation with? He thinks “this is a bad policy” and it just adds for more litigation and adds to liability.

States 2011, 2012 and 2013 were not done for the borough. He states, “you guys didn’t do it. I was not part of that.” When was the last one done? Answer – Dan Lloyd states 2010. Rick asked in doing that audit, do we need a contract? Dan answers yes. Rick asks if it is a bid process. Dan answers that it “can be” but does not have to be. Rick Brennan asks if it has to be voted on by council and Dan Lloyd says that is correct. Mr. Brennan asks if we have an auditor that we are going to use now and Mr. Lloyd states “we have been in discussions with our last auditor Hoseck and Speck and that they are the most obvious choice since they did our last audit. Allot less pre-work had to be done. Harry has been in negotiations with them as well as our accountant has been here. We are cleaning up our books. In order for us to have an audit, we have to reconcile our cash account and our cash account was not reconciled. We are about 2/3 of the way through getting that completed. As soon as that is completed we will be taking a vote, probably next month, to have the auditor come in for the missing three years. Mr. Brennan confirmed that there will be a vote on it because the code states that there must be a 2/3 vote.

Sunshine Law – Mr Brennan states that Donna Dreshman asked him at the last meeting if the Sunshine Law was violated. Answer – He himself said “Yes and it was obvious” and a “terrible, terrible thing we did not inviting the public to the meeting”. He said it was a clear violation and the book with all of the laws in it states clearly what the sunshine law says. He then read the Sunshine Law. He challenges all of Council to get a book and read it. He says every councilman should have the right information. He states “we should be ashamed of ourselves”. He states that he was very upset to be put in a position, sitting on council, going to a public meeting and not being proper. That meeting should have been advertised that a meeting was taking place and that they were seeking a TAN loan. He states there is no excuse for that not to have happened. He states

he was embarrassed and that will never happen again. Guarantee. Since then he is calling a meeting monthly Finance committee meeting. He states that he is the Finance committee chairperson and that he is announcing that the upcoming meeting and all meetings will be open to the public. Everyone should see what we're doing. We're not hiding anything from anyone. The days of meetings that the public are not welcome to are over. That is not allowed by law in Pennsylvania. He states again that he was upset by what happened. He made a call for change.

County 911 - Councilman Brennan states that he has spent time with County 911. He states that this is so important. He states that he doesn't want to say that he knows everything (and then began to ask around the room to see if the County representatives showed up to the meeting - They will be at next months meeting. He was not happy that they didn't show up as they had said they would). He states that he spent time with our fire department and it is ready to go but needs the equipment and the police department is 90% ready but also needs equipment (i.e. pagers, MDTs (10) and 10 mobile units). Chief Pat Campbell states he and Fire Chief Matt Pisarcek have been working with county 911 and they are moving along at the pace they can. Mr Brennan states that Chief Matt Pisarcek states that the key knox system needs to be changed. Mr. Brennan says he never even knew this system existed. He state that the firemen need allot more equipment than the police do. Councilman Brennan states that he is very impressed with the process. He advised we need to get the equipment for them.

Pension - Who is on the board? Answer - Councilman Lloyd says he isn't sure and referred to Nick Havrilla who stated that he was on the committee as well as Andy Votedian, the wage policy committee and Chief Campbell. He states on the non uniform side we lost Larry Beatty (deceased 2-7-2014) and some other non union workers he "hasn't seen for years". Mr. Brennan asked if indeed there are not supposed to be two council members? Answer from Mr. Havrilla who said Councilman Rob Falce and was not sure but thought Councilman Dan Lloyd. Dan advised not him and Mr. Joe Ballas spoke up that it was he. When was the last meeting? Answer - November of 2013 Was a report given to the borough following the meeting? Answer - Per Dan Lloyd, they addressed the concerns of the auditor general about taking corrective actions to be in compliance. Mr. Brennan states that is not what he was asking. He was asking if the Pension board, gives a report to council after they have met. Answer Mr. Lloyd - "No I have not". Councilman Brennan states "they are supposed to". Mr. Brennan asked "Who is the administrator of the Pension Plan?" Mr. Lloyd states "PNC Bank." Mr Brennan asks "and what is their obligation?" Mr. Lloyd "To invest the money in accordance with the way the pension board approves." Mr Brennan

“Who makes the decision/tells the borough that an MMO is supposed to be made?” Councilman Brennan asked what MMO is. Dan states that Mockenhaupt Group is our police pension group and they make the determination of what those investments will be and tell us how much we need to put into our fund and we will then figure out what we then will need to deduct from the employees paycheck. Mr Brennan then wanted to confirm that the actuary did NOT tell the borough the amount to be deducted from the paychecks? Answer from Mr Lloyd saying “no the actuary did tell the manager. Mr Lloyd went on to explain that because the pension fund was over funded for years it was self funding. Then in 2011 we had a borough manager with little experience and a MMO (minimal municipal obligation) was issued by our actuary came in and said that we needed to put 18K in the pension fund. Understanding that the manager should have started deducting that from the police officers, up to 5%. Mr. Brennan asked if it was the managers duty and Mr. Lloyd confirmed. Mr. Lloyd reiterated that the MMO was sent and the manager should have started deducting in 2011, it was 18K, but we did not collect from our police officers. Mr. Brennan asked about 2012. Mr Lloyd states in 2012 we got an MMO of 102K but the borough manager didn’t deduct this amount from the police pays either. Mr. Brennan asked why council didn’t see it. Mr. Lloyd stated that they, council, do not look at paychecks and that they assumed that the amounts were being deducted. Mr. Lloyd states that part of the short fall of the borough resident money is because they paid the money (168K) that should have been paid by the police payroll deductions to the MMO over 2011 and 2012. The borough had to make up that money so it came from the residents. Mr Brennan asked if legal council told them to pay it or did they just pay it. Mr Lloyd said “it just got paid”. Mr. Brennan agreed it was the “right thing to do”. Mr Lloyd states that there is a difference of opinion on that because the taxpayers paid the 168K and some think it should be paid back. Mr Brennan confirmed MMO company name. He also states that he believes that the pension board needs to report to council. He states that he wouldn’t have known to ask these questions until he spoke with Mr Havrilla last week.

12. Pat Cole (309 James St) –

States he is 2nd generation firefighter from #3 and wants to know what is going to happen to the building. Is it going to stay in the borough or are we going to get rid of it? Councilman Lloyd addressed Pat stating that we as a borough appreciate the volunteer firemen and he didn’t want to go over the fire budget and thanked Chief Paricek stating that he did a fine job every time we asked him to pair down expenses for budget. He also states that the budget has gone down three or four years in a row and that “you have done your part”. But now that you are joined at #2 we have put 2500.00 in the budget to have the building appraised. We no longer want to maintain a facility we are no longer using or fill it up with junk. He also mentioned the water break during the cold spell that

cost us 20K to clean up which was covered, mostly, by insurance. He states that the borough would be served better by selling the building and put the money into the Capital Reserve fund and/or “give you guys money back to fix your fire station down here you share with #2”.

13. Glenn Cole (49 E James St)-

Waiting on the state. That’s what we are doing.

Mr. Walters came into the room to make a correction of what Dave Cannon stated earlier in the meeting. He stated that they never sought to buy the property at 201 Emerson. The property was offered to them but the offer was declined and that was the extent of their interest in that property. He states other than seeing it “fixed up not propped up” and we are not confident that it is going to get fixed up because the code enforcement officer who admitted in front of everyone that he will pick and choose what he cares to enforce. Mr Lloyd called the meeting back to order.

14. Sandy Marks -

Asked Mr. Lloyd to speak. States the code enforcement officer should not be able to pick and choose what he enforces. Mr. Lloyd states that we are not going to go over this issue again and we are going on with the meeting.

COMMENTS ON AGENDA ITEMS:

15. Brian Smith (Grandparents live in borough) -

Mr. Smith is a volunteer fire fighter for #3 fire station. He states that the Mayor stated that no money was lost but he states that hundreds of thousands of RAD money was lost that we (the residents) should not have to cover).

States that the budget is \$200 budget for Treasurer Bond for Borough Manager the same as prior managers. Is it the same bond? If so why is it \$920 on the new budget? Councilman Lloyd explained that the prior manager, Matt Galla, received his bond through an outside agency and this is why the council did not know about the one that he states he had. He also explained that the bond now covers the office workers (150K) and that Harry Faulk will be receiving a Treasurers bond (250K).

Mr. Smith also asked about grants for the borough. He states that there should never be a loss of a grant. He states that there should be someone in our office that works in grants and we should never pass up free money.

Answer – Lindey Jewart explained the process for the grant money through Steel Valley COG and why it we lost it. Also there is other grant we are working on for

sidewalks. Lindey explained the delay with the sidewalks. The delay is with PennDOT.

16. Mr. Berca - (1151 Brierly Lane) -

War Memorial – States that the borough has never really done a good job of taking care of it. He states that he works in Manassett and they have a wonderful War Memorial. It is all taken care of. States that Munhall has never really done a good job of taking care of its Memorials.

Garbage bills – Mr. Berca states that the previous gentleman speaking about his garbage bill is 100% right. The “boys up there are all part of the Fettko clan”. Councilman Lloyd called Mr. Berca back to order.

What will borough do to recover the resident’s money? He states that he wants to know when the residents will get paid for paying for the pensions when it was “mismanagement”. He wanted to know what is council’s goal to recover those funds. Councilman Lloyd confirmed that he was asking about the 168K and Mr. Berca advised he was indeed asking about those funds. Mr Lloyd states that this will have to be the decision of council and his personal opinion is that they will be asking them (the police officers) to pay the money.

Mr Berca also wanted to address what he considers a big issue and that is **Workers Compensation**. He wanted to know if council knows how many employees have been on WC and wanted to verify if WC coverage was purchased through the state at a premium and that premium will cost “us” more as time goes on. Councilman Lloyd states that to the extent that the information can be disclosed, he can confirm that employees being out on WC was an issue but the borough is looking at the Workers Comp premiums and also has put in for “Light Duty”. Councilman Lloyd states he wanted to implement Light Duty two years ago but no one wanted to do it.

He states we have to figure out how all of these things have happened. States they didn’t happen over the last few months, they have happened over years. But “we need to figure out what happened and make people accountable for what’s gone on”.

911 - States the EMS system is already part of the 911 system. Explained why Homestead showed up to the recent shooting at Steak N Shake so quickly. States it is because everyone called 911. He explained his recent visit to Swissvale VFC

and how they dispatch with 911. He states he feels that Munhall has short changed itself by not having 911.

17. Officer Dan Boehme – Police Officer

States he raised his daughter in this community and has a granddaughter being raised in this community. He states that he cannot tell some of the stories of **911** faults that he sees as a police officer. He then went on to explained a story of what happened with his daughter and 911. His daughter had run away and was in Duquesne. Officer Boehme states that he was on the phone with them for 4 minutes while they took the information about her and an additional 4 minutes to dispatch the call. There is NOT an immediate dispatch of a call. There is a time delay. It will impact our safety and our families. It is not this great thing. He advised that they might have all of the technology but “technology does fail”. States if the internet or radios go down they can not be dispatched. He states the current system dispatches every time. If the power goes down the generator kicks in. He states there are pros and cons with the 911 system. He states he almost lost his daughter because of an 8 minute time delay with 911. He states that our dispatch will dispatch immediately and then start the interview process. The cars are coming before the rest of the information is taken. States current dispatch is time accurate and time is of the essence. If you have a heart attack, that 5 minutes can be the difference between life and death. If your home is on fire, and he knows this because he has worked with fire in the community for 20 yrs, minutes can be the difference between you having a home or not having a home. If you are being held up, with a gun to your head, that police car not bring there can be the difference between you not going home to see your children. He wants to see his family.

Councilman Rick Brennan wanted to comment that he was at the 911 center the day before and he did question what happens with a time delay. He states that he did random checks and ask to see calls from St Therese and it was a three minute time delay for dispatch. Several calls were tested and the average was under 4 minutes. He states there is good and bad in each system. He referred to the previous statement from Mrs. Vaverak regarding dispatch knowing her personally. He agrees that is true. 911 doesn't have that.

While Mr. Brennan was speaking, Mr. Michael Alderidge, President of the EMS group, asked if he could speak and Mr. Brennan gave him the floor. Michael states that the EMS group was turned over to 911 over a year ago. They had to do it because of Medicare and Medicaid funds. He states he went over and saw

the system and 911 came over and saw the maps of the town. It was a process. He talks about how they can hear the calls as they come into 911 immediately so they can know exactly who is calling and economics is forcing the change over because people are paying for 911 on their phone bills anyway.

Michael also asked if the borough is going to recover any money from Matt Galla's bond. He says that he knows and trusts Harry Faulk but wants to know if he is bonded. Also if he is not going to school to educate himself as borough manager and if he is not in school are we planning to send him? He states its unfair to ask Harry to do the job if he is uneducated. States that it didn't take three minutes to get in to this predicament yet you hold the tax payers to three minutes to come and talk about it but you want them to come in and help recover the borough from the situation. He states, "that's embarrassing".

18. Kevin Hondo (3738 Ave) -

Legal Tax Service – He states he received a bill in the mail from Legal Tax Service up until the end of 2013 for 8 yrs that said he didn't pay their garbage bill. He said he didn't own the house for 8 yrs. He said he only owned the house for 6. He advised that the penalty and interest are greater than what the actual bill is. He then asked who gets the penalty and interest. Councilman Lloyd advised that he believes the borough gets the interest and Legal Tax gets the penalty. But he isn't sure. Kevin is asking why they would send 8 yrs to send a bill. Mr. Lloyd advised we are going to address the issue. Mr. Hondo states he went to Legal Tax and they said they would put him on a payment plan. Mr. Lloyd advised that no matter where you live if you own a home you must pay a trash bill. Mr Hondo said that the borough sent him a bill so he couldn't pay it.

19. Donna Dreshman -

Auditor – Will the auditor that is coming in make sure that the bonds exist? Councilman Lloyd states yes.

TAN – Not sure if this question should be called a TAN or not because the question was given to her to ask but is it to finance a short state or local government project? Mr. Evashavik answered that this is exactly what it is. Mr. Lloyd advised we have never borrowed the money from the state but always banks in the past.

Do we need a loan origination fee for this? Per Mr. Lloyd that was part of their terms. It was part of the proposal. Is 2.5% or \$12,500.00.

Does anyone on council have a relationship with the lender, either past or current and if you do will you be disclosing, these potential conflicts of interest?

Councilman Lloyd advised that he has done business with the lender in the past, not all but some of them and he will be abstaining from the vote. He states he does not currently do business with them. He states that they have expressed confidence in the borough and if they did not have that confidence they would not be lending us the money. Mrs. Dreshman states she did thank them for this. Mr. Lloyd states that if it were not for Chief Campbell's work on this the money probably would not have been there.

Mrs. Dreshman again asked council if they would consider giving up their salaries to put money towards interest so that the residents do not have to put as much money towards the payment of the interest on the loan.

20. Mark Bodnar -

- a. Sale of #3 Fire Station - Mr. Bodnar states that he will be submitting a request that part of the monies received in the sale of the building be returned to the previous volunteers because they themselves put money into the building. Councilman Lloyd states that he doesn't see a problem with that and they can address that down the line when the building sale goes through.

Councilman Lloyd then addressed the residents saying that the council is very thankful that the residents stepped up and lined up to pay taxes. The tax bills were in the first week of February and there were volunteers such as Dave Cannon, Councilman Harvey Inglis and Mayor Bodnar stuffing envelopes and it has been widely published the issues between himself and the tax collector and the two of them sat down on January 15th and agreed to work together. He states Donna Mercuri has stepped up and done everything the borough has asked her to do. And has already collected 580K so far. It has been a joint effort. With that he thanked Donna for her efforts.

Reports from Departments:

Mayor – Mayor Bonder thanked the public works crew for all of their work on the streets. He corrected Brian Smith regarding lost money and said, “we will recover it” stating it is being investigated. He also thanked Officer Dan Boehme for his heartfelt words regarding his daughter and feelings about 911 change over. He said that he “opposed” the change over because we will lose the personal contact of the dispatchers. Mayor Bodnar states, “they may have the technology but we have the heart”

Solicitor – Mr Evashivik states that his report pertains to current litigations. There is nothing new at this time.

Borough Engineer – Lindsey Jewart – States there is nothing new

Director of Public Works – Robert (Bob) Bickey states – We are low on salt

Chief of Police – Pat Campbell states “You have my report.” There have been meetings and emails regarding County 911 and “we are moving forward”.

Fire Chief – Deputy Fire Chief Ed Clutch sitting in for Matthew Pisarcik states that they took 50 calls and entered between 1600-2000 volunteer hours. He said that #5 fire station is doing a golf bash and #4 is doing a hoagie sale. Also there is a delay by 3 to 4 weeks in the shipment of portable radios and they will not be 911 ready until the radios are received. He also has concerns about the budget numbers and advised he would like to go over the bills so that he can address those concerns. Harry Faulk will go over those bills with him.

Code Enforcement – Dave Cannon states that Judge Gallow awarded a fine of \$1000.00 for 428 E 28th Ave. He states that he will be resubmitting paperwork on the property and start the process again.

Moving on to Items for Considerations

Council President Dan Lloyd read each item as follows:

1. Motion to approve the following:
 - a. January 31, 2014 payroll: \$145,130.21
 - b. February 14, 2014 payroll: \$125,153.05

Motion: Councilman Bernie Shields

Second: Councilman Harvey Inglis

Vote: Unanimous

2. Motion to approve the following bills:
 - a. Administration: \$ 27,106.22
 - b. Public Safety: \$119,621.90
 - c. Fire Protection: \$55,032.76 (corrections to be made)
 - d. Health & Sanitation \$16,323.30
 - e. Public Works: \$90,372.29

- f. Recreation: \$1,616.21
- g. Miscellaneous: \$54,100.88

Motion: Councilman Joe Ballas
Second: Councilman Rob Falce
Vote: Unanimous – After corrections to Fire Protection number

- 3. Motion to pay Sarrett and Associates for 2013 out of the TIF funds as requested by Steel Valley Enterprise Zone.

Motion: Councilman Rick Votedian
Second: Councilman Joe Ballas
Vote: Unanimous

- 4. Motion to approve the Borough Solicitor to draft a resolution for the TAN.

Motion: Councilman Rob Falce
Second: Councilman Rick Votedian
Vote: Unanimous

- 5. Motion to accept the bid proposal from Joseph Leonello, Christian Stein and Frank Leonello for a 2014 Tax Anticipation Note in the amount of \$500,000.00 with a 5.25% simple interest rate for the term of 6 months if needed. There is an administration fee of 2.5%.

Per Councilman Rick Brennan, all bids should be made public.
Paydem LLC - \$500,000.00 with 26% interest, Waterfront Partners - \$600,000.00 with an interest rate of 12% at 12 mos, 20% at 8 mos and 24% at 6 mos. And Tarkin Bay which included purchase past due property taxes – 0% interest.

Motion: Councilman Rob Falce
Second: Councilman Rick Votedian
Roll Call Vote: Unanimous

- Joe Ballas – Yes
- Rob Falce – Yes
- Bernie Shields – Yes
- Dan Lloyd – Abstain
- Harvey Inglis – Yes
- Rick Brennan – Yes
- Rick Votedian - Yes

6. Motion to purchase a \$150,000.00 bond for the Borough Treasurer in the amount of \$930.00 paid annually from Allegheny Professional Insurance.

Motion: Councilman Rob Falce

Second: Councilman Rick Votedian

Vote: Unanimous

7. Motion to approve the following handicapped parking sign requests:
 - a. 118 W Miller Ave
 - b. 712 E 13th Ave
 - c. 115 W Miller Ave
 - d. 152 Dahlia St
 - e. 128 Vine St
 - f. 132 E 20th St

Note: Councilman Bernie Shields – Marion St – Discussed signs that are there but are not being used. Sgt. Cibula will check about cars being parked in garage but still having sign on the street. Per Chief Campbell advised the sign will be taken down if it is found that the car is indeed parked in the garage.

Motion: Councilman Shields

Second: Councilman Joe Ballas

Vote: Unanimous

Councilman Dan Lloyd called for adjournment.

Motion: Rich Votedian

Second: Harvey Inglis

