

**CITY OF MCKEESPORT
REGULAR MEETING**

WEDNESDAY

7:00 P.M.

OCTOBER 5, 2016

This Meeting of Council was called to order on the above-stated date at the above-stated time after the Pledge of Allegiance and a Moment of Silence in remembrance of Mrs. Mary Ann Popovich, Chairperson of the Civil Service Planning Commission, by President of Council Richard Dellapenna, with the following Members of Council present:

RC-1 PRESENT: LUETHEL NESBIT, RICHARD DELLAPENNA, V. FAWN WALKER-MONTGOMERY, JAMIE BREWSTER-FILOTEI, TIMOTHY BROWN, KEITH SOLES, JIM BARRY.

Prayer was led by Reverend Boniface Igba of Auberle Church.

Also present were Mayor Michael Cherepko, City Administrator Matthew Gergely, City Solicitor J. Jason Elash and members of the Administration.

APPROVAL OF MINUTES:

MOTION: Mr. Soles moved, seconded by Mr. Barry, “to approve the Minutes of the Regular Meeting of September 7, 2016.”

RC-2 YEAS: NESBIT, DELLAPENNA, WALKER-MONTGOMERY, BREWSTER-FILOTEI, BROWN, SOLES, BARRY (7)

NAYS: NONE (0)

COMMUNICATIONS:

Received both the Fire and Police Department Reports for the month of September 2016.

MAYOR’S REPORT:

Mayor Cherepko said thank you Mr. President. I will be brief this evening. There are a couple Proclamations to give out in a second but I do want to start off, our Moment of Silence this evening, which I do apologize for being a few minutes late, was in remembrance of Mary Ann Popovich. Ms. Pop, as many of us know her as, taught in the School District for many years, very well respected as an

educator, impacted many peoples' lives, and in addition to that she served on the Civil Service Commission here in the City, not just served, but directed as the Chairperson. I don't have the exact year but I am thinking almost 40 years, if not over 40 years. So without question she was a tremendous asset to this City and will sorely be missed. It is unbelievable that just last week I had a couple conversations with her last week and now we buried her. She served on the Planning Commission of the City as well. She is surely going to be missed.

On a positive note, as we have been doing each quarter the Message Committee has been selecting individuals which we believe are making an impact in the community and more importantly living that message, Respect, Love, Dignity and Hope and our awardees for this quarter, which once again the public, anyone, can recommend somebody to receive these awards. But we have the awardees here this evening and I am going to go ahead and present these Proclamations.

Starting off with the first one. The first awardee is for Dignity. For that we have Janet Kulis. Janet is another one that is no stranger to the City of McKeesport; no stranger to City Hall. She is down there quite often, whether it is for the Ambulance Authority or other reasons, other hats that she wears. I think any fundraiser or any event at Kane Foundation, Kane Hospital, all the activities I go to down there it seems like no matter what one face I know I will surely see is Janet. So with that I am going to read this and present it to Janet. For Dignity.

WHEREAS, the McKeesport Message Committee uplifts the values of Respect, Dignity, Hope and Love through community programming and other efforts; and

WHEREAS, Janet Kulis, a Trustee on the Kane Foundation Board has a special place in her heart for the John J. Kane Regional Center in McKeesport as she always strives to assure this local facility's residents are able to age with dignity; and

WHEREAS, Janet and her cousin, the late Joan Burnes, formed the McKeesport Kane Family Council in 2009 with the intent to provide information, resources, support and encouragement to families and friends whose loved ones lived at Kane.

NOW, THEREFORE, as Mayor of the City of McKeesport, I do hereby honor Janet Kulis as the Living the Message awardee for Dignity.

Mayor Cherepko told Janet she was more than welcome to say a few words. Janet said this is very unexpected and I am honored and humbled. I don't want to cry but it is hard to believe that 7 years ago my cousin, Joan Burnes, I don't know

if anyone remembers her she is gone, we sat in the Recreation Room at McKeesport Kane and the residents were looking at a tv screen that was about 15". She said to me boy would I like to get them a big screen tv. I said I would too, wonder where we could get the money? Could we get donations? I said maybe we could get a Grant, who do you know? Joan knew everybody. I knew a lot of people and it ended up that the first Grant we got was from the McKeesport Hospital Foundation and the first thing they did was put big screen tvs in every Recreation Room and since that time I have a whole list of things that have been done here and it is just beautiful. I don't think it is coincidence. I don't believe in coincidence. I just think it was the providence of God because everything that we tried to do down there worked out and I thank you and am accepting this for the residents of McKeesport Kane. Also, we have a Family Council Meeting coming up on October 12th and it's about Medicare and it is open to the public and it is free. They are going to make some changes in Medicare. Thank you for the award and just remember in other countries they honor their elderly and they respect them and now down at Kane there is a lot of baby boomers, so it is not just elderly people, I see a lot of people my age and younger. It could happen to anybody but we can't forget to go there. Kane is an asset. There are 300 employees there and there are 360 beds so we have to remember that they are there. Thank the Mayor who is always there and thanks Mrs. Soles she made the best basket. I don't want to say what it was but it was the best and most popular. Thank you all. President Dellapenna said thank you Janet.

Mayor Cherepko said the next awardee is a lady who spent a long part of her life giving back to the youth. Recently just started, restarted up a program from years ago as well. She is another one that fights hard for these kids, trying to do everything that she can. Contacts me quite often in the office as well and that is our awardee for Respect going to Helene Phelps, so let me read this one.

WHEREAS, the McKeesport Message Committee uplifts the values of Respect, Dignity, Hope and Love through community programming and other efforts; and

WHEREAS, Helene Phelps has committed more than 4 decades to teaching the virtues of respect and discipline to the young women of McKeesport through the art of step performance as an early performer and now leader of the Black Beret; and

WHEREAS, Helene's go getter attitude has guaranteed success for the Black Beret and she has helped to instill generations of elementary age and teenage girls with the valuable lessons that will remain with them for life.

NOW, THEREFORE, as Mayor of the City of McKeesport, I do hereby honor Helene Phelps as the Living the Message awardee for Respect.

Helene said hello everyone and I just want to say thank you very much for this award. I am grateful for it. Working with the children in the City of McKeesport is a tough job but I enjoy doing it and I am going to continue working with young people to teach them about responsibility and teach them about respect and dignity and education. Again, I want to thank you very much for this award. I am very grateful, thank you very much!

Our next awardee goes with the message of Hope and this gentleman is someone that truly believes in the message of the City. Somebody that has been there for quite some time, far before the closing of The Daily News, even then he was the head of communications and p.r. for international village and ran Live over there on the Radio Station and now since the closing of The Daily News, he is an individual who is truly trying to be a piece of getting that information out there. You know, as I refer to it often, with obituaries now, all too often people miss funerals and everything and Jason has always been a tremendous asset for getting information out there, including obituaries. He is someone that has always had pride in the history of the City and most recently has done an unbelievable packet/invitation, I don't know what we would call it, in regards to The Penn McKee, trying to market that building for private investors or the public for that matter, although I don't know if we want to go public with it, but if you didn't have a chance to see it, you should see the time and effort that has been put into this. This award goes to Jason Togyer. Let me read this.

WHEREAS, the McKeesport Message Committee uplifts the values of Respect, Dignity, Hope and Love through community programming and other efforts; and

WHEREAS, Jason Togyer, the former news City Reporter who has founded Tube City Media, Inc. for Mon Valley coverage always has valued McKeesport's history and its economy with a long-standing affiliation with groups, such as the G.C. Murphy Co. Foundation and McKeesport Regional History Heritage Center; and

WHEREAS, Jason has used expertise in marketing and knowledge of historic preservation to further McKeesport's efforts to revitalize and repurpose The Penn McKee Hotel and generated hope for a once forgotten piece of McKeesport's Downtown.

NOW, THEREFORE, as Mayor of the City of McKeesport, I do hereby honor Jason Togyer as the Living the Message awardee for Hope.

Jason said I am not going to say much because anyone who knows me knows that if you get me started you'll have to shut me up, put a microphone in front of me. Thank you, I really don't do this stuff for recognition. It's a little awkward for me covering events in the City and getting involved and trying to remain impartial but you know my grandfather came to McKeesport when he was 15 or 16 years old. He ran away from home because he didn't want to work in the coal mines and until the day he died McKeesport was the center of his universe as far as he was concerned. Pittsburgh would have amounted to something if they would move it closer to McKeesport. So it is just something he instilled in me from this little and I am trying to keep up. I don't have any money to give back but I can give my time, so thank you Mayor.

Our last awardee is unable to be here this evening due to an unexpected personal issue with a family matter, family member, that goes to Arlen Harper for Love. If you have not had a chance to meet Arlen you have to take the opportunity to reach out and talk to this young man. In this day and age with the issues, obstacles and challenges that our youth are facing today, our young adults, here is a young man that is years ahead of his age. An absolutely level-headed individual who truly has a strong faith in the Lord; very involved with Trinity Church of God and this Summer he actually put together and organized a Spirit of Praise Gospel Jubilee over at the Band Shelter. So his first year was not as big as we would have liked to see it but we are going to stay encouraged and get people out there and make the event grow. Arlen is just an absolute asset to this City as a young man I continue to try to get him involved in any way that we can because he is a true leader so that award will go to Arlen Harper for the award winner of Love and we get to see him, picture him, if you haven't met him, you might have met him and just didn't put the name with it, but remember all 4 of these individuals will be in the Magazine, or they are already in the Magazine, so take time off and read up about Arlen.

Other than that Mr. President, that concludes my report. President Dellapenna said thank you Mayor.

CITIZENS IN THE AUDIENCE:

President Dellapenna called for citizens in the audience who might want to speak but none came forward.

NEW BUSINESS:

ORDINANCE NO. 16-012 – BILL #38 – AN ORDINANCE OF THE CITY OF MCKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, SETTING FORTH THE REQUIREMENTS FOR OBTAINING OCCUPANCY PERMITS PRIOR TO THE TRANSFER OF ONE AND TWO FAMILY DWELLING UNITS, ESTABLISHING INSPECTION REQUIREMENTS FOR MULTI-FAMILY DWELLING UNITS, ESTABLISHING PROCEDURES FOR OBTAINING SAID OCCUPANCY PERMITS, AND SETTING FEES FOR SAID PERMITS.

MOTION: Ms. Nesbit moved, seconded by Ms. Brewster-Filotei “to table Bill #38.”

Mayor Cherepko said for the public's info, this is a Bill to really get a good grasp, pretty much for the most part, we are trying to make sure that all residents, whether you are a tenant or whether you are a homeowner, that you are living in an environment that is safe. Kids aren't living in a house that is unsafe and we need to just go through this Bill a little more detailed and tweak some things before we pass this. This will be the first step. We will be passing this in November and this is focused more on homeowners. It's more when you sell a property you need to get an Occupancy Permit. That Occupancy Permit it means somebody comes in to inspect the house, to make sure it is structurally sound, to make sure it is habitable, and to make sure that no one is going to move in a house that shouldn't be lived in. So that will be the first thing and then a few months later we are going to have a Bill, probably early next year, we are going to look at passing a Bill for Landlord/Tenants Ordinance because it is no secret that we have more and more homes in the City of McKeesport becoming renters and it is important that we are making sure that these Landlords are held accountable that these tenants are living in a house that is safe and no one is in danger. Some, big part of this came up last year, when we lost lives down in 10th Ward, 6 lives

because of a house fire. I would like to think that if we had smoke alarms and everything else in proper place and the house was a little different that could have been prevented. So we as an elected body here I think we are working hand in hand this administration and Council to make sure that we move forward and to make sure that we start putting, not only putting these policies in place, but to make sure that we are enforcing them. That's why we have been strategizing now for probably, before then to be quite honest with you, probably about 2 years now to really make sure. Because you can pass these things all you want but if you can't enforce them what good is passing them? So we are getting all our resources together and getting things in place. From looking at that; from partnering with Steve Zappala's Office; from partnering with the Duquesne Law students who do a lot of legal research for us. It's just has been a pure collaboration of many different entities. So this will be phase 1 we will look to pass next month, we just have to tweak a few things. We are very, very close, that's one of the things the students were working on, to identifying all of the rental properties in the City and I know as hard as it might seem to believe for some of you, for the most part we don't have track. We cannot keep track of who owns this, who owns that, and people just sell houses on-line and don't apply for permits and it's a mess. But we are actually very close. We just had an update this week that we are very close to identifying all of the landlords and renters in the City. Once that happens we can really start moving to get them registered and make sure they are held accountable. This will be step one. President Dellapenna said thank you Mayor.

RC-3 **YEAS:** NESBIT, DELLAPENNA, WALKER-MONTGOMERY, BREWSTER-FILOTEI, BROWN, SOLES, BARRY (7)

NAYS: NONE (0)

MOTION: **Mr. Barry moved, seconded by Ms. Brewster-Filotei "to Amend the Agenda to add amended Bill #39."**

RC-4 **YEAS:** NESBIT, DELLAPENNA, WALKER-MONTGOMERY, BREWSTER-FILOTEI, BROWN, SOLES, BARRY (7)

NAYS: NONE (0)

ORDINANCE NO. 16-012 – BILL #39 – AN ORDINANCE OF THE CITY OF MCKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, AUTHORIZING THE INCURRING OF NON-ELECTORAL DEBT BY THE CITY OF MCKEESPORT, COUNTY OF ALLEGHENY, COMMONWEALTH OF PENNSYLVANIA, FOR THE PURPOSES OF PROVIDING FOR FUNDING OF A PORTION OF AN UNFUNDED ACTUARIAL ACCRUED LIABILITY AND PAYING THE COSTS OF ISSUING THE NOTE; FINDING A SALE BY NEGOTIATION TO BE IN THE BEST INTEREST OF THE CITY; ACCEPTING A PROPOSAL FOR THE PURCHASE OF THE NOTE; AUTHORIZING THE INCURRING OF NON-ELECTORAL DEBT BY THE ISSUANCE OF CITY OF MCKEESPORT GENERAL OBLIGATION NOTE, SERIES OF 2016; DIRECTING THE FILING OF THE NECESSARY DOCUMENTS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; APPOINT A PAYING AGENT, REGISTRAR AND SINKING FUND DEPOSITARY; DESCRIBING THE NOTE, INCLUDING METHOD OF PAYMENT, MANNER OF EXCHANGE AND TRANSFER AND MANNER OF EXECUTION AND AUTHENTICATION; PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER AND OTHER REVENUES OF THE CITY FOR PAYMENT OF THE NOTE; PROVIDING FOR PREPAYMENT OF THE NOTE; ESTABLISHING A SINKING FUND; APPROPRIATING THE MONEY RECEIVED FROM THE SALE OF THE NOTE; SETTING FORTH THE MATURITIES OF THE NOTE; AUTHORIZING REDEMPTION OF THE PRIOR NOTE; RATIFYING THE ADVERTISING OF A NOTICE AND AUTHORIZING PUBLICATION OF A NOTICE OF ENACTMENT; APPOINTING NOTE COUNSEL; AUTHORIZING APPROPRIATE OFFICERS TO TAKE ALL NECESSARY ACTION IN CONNECTION WITH THE ISSUANCE OF THE NOTE; AUTHORIZING THE PAYMENT OF ALL EXPENSES INCURRED; SPECIFYING ALLOWABLE INVESTMENTS; SETTING FORTH AUTHORIZATION OF OFFICERS; ESTABLISHING THE FORM OF THE NOTE; CREATING A CLEARING ACCOUNT; SETTING FORTH SEVERABILITY PROVISIONS; REPEALING ALL INCONSISTENT ORDINANCES; AND SETTING FORTH AN EFFECTIVE DATE.

Mayor Cherepko said this will be a loan to replenish the Pension Fund as we planned on doing the entire time. The MMO payment. Last year didn't make one at the end of the year, it's no secret. This loan will put all of the money from last year and the entire MMO from this year plus the 8% that we are required to do. At the end of the day all employees in the Pension Fund are better off than what they would have been if we would have put them in because the 8% is higher

than what the Fund is actually doing. The performance of the Fund the last time we talked was only doing 1% or 2% so at this point everyone is made more than whole and the reason for the loan is we know we received a down payment for the deal with the Municipal Authority we don't want to get into that money right now. The idea is this is pretty much to be honest with you if we make different plans, A, B, C, D, this is probably Plan K or somewhere down the line, if something would happen taking this loan out now pretty much guarantees that we are able to complete next year. When I say something happens, I mean if for some unforeseen circumstance we couldn't close on the Authority and it dragged out for whatever reason, this loan, and not spending all the money from the down payment now, this would allow us to make payroll, to get through next year, and to take us into 2018 where we would then go after the other solution. Whether it was just working it out with American Water or whether it was to turn around and sell as quickly as we can. So all this is pretty cautionary. We don't expect to have any difficulties but we do not want to be in a situation for whatever reason next year that we can't get through the year so that is why I am asking Council to go this route. At the end of the day, it comes down to making payroll. I talked about this a little bit last night and when you run low on money at the end of the year, which is every year, it's a nightmare to sit around thinking that we got to scrape up thousands here, \$20,000 here, \$25,000 here, whatever, to make a \$300,000 payroll and that's not just one payroll. We pretty much do that each year for November and December so the last thing I want to do is give any family a Christmas present of you're not getting your paycheck. So, that's the same reason why we didn't put the money into the Pension Fund last year because we knew that we were going to get the money for Pension Fund; we were going to make the Pension Fund whole; and we figures an employee would much rather have a paycheck than to have their Pension Fund paid at that point in time, especially when we were going to make it up at a later date like we are doing with this loan and then once the deal goes through this loan gets paid off and the City continues to try to operate, has to continue to operate as if we are broke because we are. We still have a deficit. That's going to be the hardest part to do when you are dealing with Bargaining Units and things like that but we will continue to operate and try to fix this deficit. I don't want to get into too much but on a macro level, when you talk about a deficit, nothing that anybody out there could have controlled. Could have done anything different. This administration, this

Council, nothing. When you have your healthcare go up more than a million and a half dollars since we have been in office for 4-5 years, your MMO go up 2 million dollars, it tripled, it was 1.1 million dollars when we came into office and the next year it will be 3 million, just under, 2.9 million basically. So it almost tripled. We had funding coming in August of \$550,000 every August for cash flow purposes from Bond issues in the past, that ran out last year. We had stimulus money when we came into office where it was about \$300,000 set aside as a COPS Grant, we no longer get that. Our garbage collection has gone up to under a million dollars and when we look at our new Budget, I want to say 1.4, about 400 to 500, we will be anywhere from 1.4 to 1.5 million. So, you can see, just a million and a half here, 2 million here, that's 3-1/2, you got garbage, 4-5 million, cash flow, you can see where it went. That's why this administration has really taken the stance when people retire we only replace a few and those are people who basically took a job of 3 people and that's where we have been. Even in public safety, and you have to be careful how you say this, but the truth of the matter is, just in the last couple months we had about 5 or 6 police officers retire and we are probably looking to bring on 1 full-time right now and we are in the middle of a Civil Service Test. We are not going to replace all them. It doesn't mean you are going to have less police on your patrol, it just means we hired a little more part-timers. We have going to have part-timers. Part-timers are much cheaper. People forget that you know, they see salary and they forget you are paying unemployment, workers comp, pension obligation, healthcare and everything else. So we have to start shaving some money off and that's one of the areas where we are shaving it off. Some other tough decisions we have to make down the road too, I don't want to get into right now, publicly because I don't want to scare anyone but we are going to work to fix this deficit. The last thing you are going to see this administration do is act like we are rich. That's not going to happen. We have to try to fix this deficit. You have state officials. The thing you have to understand is this pension deficit is the pension problem, MMO, it is not unique to the City of McKeesport. This is everywhere and you know, overall our pension plan is not as bad as many are. We are up over 7% funded. That's what this loan will be. President Dellapenna said thank you Mayor.

MOTION: Ms. Walker-Montgomery moved, seconded by Mr. Soles “to approve Bill #39.”

Ms. Walker-Montgomery asked what was the amendment? Solicitor Elash said the terms of the Note are the same. The counsel for the Bank asked us to remove some of the boiler plate that was in the Ordinance that we have. The key change was one of the uses of the Fund we have retiree, the other pension bonds. We are no longer have enough money to do that so that was taken out of the Ordinance. Ms. Walker-Montgomery asked so it was just language? Solicitor Elash said it was all language. Mayor Cherepko said, like a grammar teacher, moving words and paragraphs. The only thing was, you could use state aid for basically we make payments on our bond debt every month and technically we could use state aid for that and we were looking to do that, but ended up just going with this entire loan will be wired straight to the Pension Fund.

RC-5 YEAS: NESBIT, DELLAPENNA, WALKER-MONTGOMERY, BREWSTER-FILOTEI, BROWN, SOLES, BARRY (7)

NAYS: NONE (0)

ADJOURNMENT:

President of Council Dellapenna said that concludes our meeting for tonight. Thank you for coming and please be safe traveling. Good night.

The meeting then adjourned at 7:35 p.m.

Respectfully submitted,

Annette James
City Clerk and Clerk of Council

APPROVED:

Richard Dellapenna
President of Council
das