

Allegheny County Council

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Meeting Minutes - Approved

Thursday, November 20, 2014

4:00 PM

Conference Room 1

Committee on Budget and Finance

Michael Finnerty, Chair

Members:

Barbara Daly Danko

Amanda Green Hawkins

Heather Heidelbaugh

Bob Macey

Sue Means

Nicholas Futules, John Palmiere

Jan Rea

I. Call to Order

The meeting was called to order at 4:02.

Invited Guests:

William D. McKain, CPA-County Manager or Designee
Warren Finkel-Director, Office of Budget and Finance

Mr. McKain was present from the Office of the County Manager.

Mr. Finkel, Mr. Casciato, Mr. Schepis, Ms. Celestino, Ms. Soroka, Mr. Lentz and Mr. Cox were present from the Department of Budget & Finance.

Mr. Barker and Mr. Szymanski were present from the Office of County Council.

II. Roll Call

Members Present: 7 - Finnerty, Barbara Danko, Amanda Green Hawkins, Heather Heidelbaugh, Bob Macey, Sue Means and Jan Rea

Members Absent: 0

Members Phone: 2 - John Palmiere and Nick Futules

Members 1 - Tom Baker

Non-Members:

III. Approval of Minutes

[8634-14](#)

Motion to approve the minutes of the Budget and Finance Committee meeting of Allegheny County Council held on November 12, 2014
Passed

IV. Agenda Items

Resolutions

[8628-14](#)

A Resolution of the County of Allegheny, Commonwealth of Pennsylvania, adopting an Operating Budget pursuant to Article IV, §2 and Article VII, §4 of the Home Rule Charter, by setting forth appropriations to pay the expenses of conducting the public business of Allegheny County and for meeting debt charges for the fiscal year beginning January 1, 2015 and ending December 31, 2015.

Sponsors: Council Member Finnerty, Council Member Macey and Council Member Palmiere

At the request of the Chair, the clerk read the title of the bill.

The Chair explained the variations between the bill as drafted and the operating budget recommended by the Chief Executive.

Ms. Green moved to amend the bill, and summarized the provisions of Amendment Green 1 and her rationale for creating it. Ms. Danko seconded the motion. Ms. Green noted that Ms. Heidelbaugh and Ms. Danko were joining her as sponsors of the

amendment.

Ms. Heidelbaugh summarized her reasons for supporting Amendment Green 1, noting that an extra \$3 million will not suffice to fix the full dimension of transit issues in the County, but that any improvement is worth the expenditure in her view.

Ms. Danko noted that the persuasive factor for her was the growth of drink tax revenues over time, and indicated that the growth trend may make the additional appropriation more sustainable than it would be absent any revenue growth. Ms. Danko also reminded the Committee that, in the last three years, \$3 million in drink tax surplus funds had been appropriated for bus rapid transit and a pedestrian bridge, noting that in her eyes, failing to at least attempt to mediate transit shortcomings makes a statement that the County is willing to fund studies of potential service for areas that already have bus routes, while refusing to fund service for areas that do not.

Ms. Means expressed concerns that additional funding will likely become necessary in future years, and that she is reluctant to deplete the drink tax surplus fund.

The Chair suggested that the impact of the proposed \$3 million is being minimized because there is no opportunity to use that revenue as a match to leverage additional state or federal revenue, and also suggested that providing a one year funding stream - should that turn out to be the duration for which this funding can be provided - may be an error.

Ms. Green noted that no other solutions have been suggested, and this was the only solution that was being proffered.

Ms. Heidelbaugh described the proposed bus rapid transit system, noting that the entire system would serve a population that already has service from 40 or 50 buses, and is purely geared toward making that service a bit faster, while the focus of this amendment is providing service to people that don't have it but still have to get to work and other destinations.

The Chair expressed appreciation for Ms. Heidelbaugh's position and noted that his belief is that all of the Members care about public transit service issues, but that any decision should be made based on what leverages the most benefit for the underserved residents.

Ms. Danko expressed a desire to see the recently executed memorandum of understanding between the County and PAT regarding bus rapid transit, and noted that money spent on that project is money that isn't spent anywhere else. Mr. McKain agreed to forward the MOU to the Chair.

Ms. Means reiterated her opposition to funding the bus rapid transit project when areas of the County remain under served or unserved.

The proposed amendment failed by a vote of 3-8, with Ms. Danko, Ms. Green and Ms. Heidelbaugh voting in favor, and all other Committee Members voting against.

The Chair, the clerk, and Ms. Heidelbaugh discussed the mechanics of potentially amending the operating and capital budgets to eliminate funding for the bus rapid transit project, and agreed that the appropriate procedure would involve simultaneous amendment of both the operating and capital budgets.

Mr. Macey moved to affirmatively recommend, Ms. Rea seconded, and the motion

passed by a vote of 6-2, with Ms. Danko, Ms. Green, Mr. Macey. Ms. Means, Ms. Rea and Mr. Finnerty voting in favor, and Mr. Futules and Ms. Heidelbaugh voting against.
Affirmatively Recommended

Enactment No: 34-14-RE

[8629-14](#)

Resolution of the County of Allegheny, Commonwealth of Pennsylvania, adopting a Capital Budget pursuant to Article IV, §2 and Article VII, §4 of the Home Rule Charter by setting forth appropriations to pay the expenses for capital expenditures during the fiscal year beginning January 1, 2015 and ending December 31, 2015.

Sponsors: Council Member Finnerty, Council Member Macey and Council Member Palmiere

At the request of the Chair, the clerk read the title of the bill.

The Chair gave a brief overview of the variations between the resolution and the capital budget recommended by the Chief Executive, and noted that he would like to offer Amendment Finnerty 1 to the capital budget, relating to IT services for the Office of County Council.

Ms. Danko moved to accept amendment Finnerty 1, Mr. Macey seconded, and the motion passed unanimously.

In response to a question from Ms. Danko, the Chair discussed the proposed improvements to the wedding facility in Hartwood Acres and the proposal relating to the South Park nature center.

In response to a question from Ms. Means, Mr. McKain indicated that \$200,000 had been appropriated for the South Park nature center in the 2014 capital budget.

Ms. Heidelbaugh indicated that she would like to offer amendment Heidelbaugh 1. Upon distribution of the amendment, Ms. Heidelbaugh summarized its provisions and noted that she would like to distribute the proceeds of the Deer Lakes Park natural gas lease among all of the County parks. Ms. Heidelbaugh moved to approve the amendment, and Ms. Green seconded the motion.

Mr. Futules expressed disagreement with the concept of distributing the proceeds of the Deer Lakes Park natural gas lease among all of the County parks.

The Chair noted that his personal opinion is that the park experiencing the drilling activity should benefit the most from the lease.

Ms. Danko suggested that the residents near Deer Lakes Park will be impacted, but that representations had been made that the park would not suffer, so her thought would be to still provide a bit more funding to Deer Lakes Park, but to distribute at least some of the proceeds among the other parks.

Mr. Macey suggested that leaving the appropriation as-is and revisiting the notion of distribution among other parks when royalty payments are received.

Ms. Rea indicated that she would feel better leaving the appropriation as-is until there's some concrete indication regarding the impact of drilling operations on the park.

Ms. Heidelbaugh noted that no specific list of capital project needs in Deer Lakes Park has been provided to Council in order to justify the current appropriation.

Mr. Futules indicated that he has discussed potential Deer Lakes Park projects, and that the total cost of those potential projects would exceed the existing appropriation, but that royalty payments should and would be distributed among the other parks.

Ms. Danko indicated that she had met with Andrea Garrity (phonetic), who had been involved with the transition team that worked on energy issues for the current Chief Executive, and that her belief had been that any proceeds should be divided among all of the parks. Ms. Danko suggested that the fairest outcome might be to appropriate \$1 million to Deer Lakes park, and distribute the remaining revenue evenly among the remaining parks.

Ms. Green requested a 5 minute recess to allow Ms. Danko's amendment to be produced in writing, and the Chair agreed.

Ms. Danko moved to approve an amendment to Amendment Heidelbaugh 1 and described her proposed changes and Ms. Green seconded.

The Chair and Mr. Macey reiterated their belief that the existing appropriation is the best allocation of funds.

Ms. Green noted that she finds both sides of this particular revenue distribution issue to have their merits.

Mr. Futules and Ms. Danko discussed the notion of opportunity cost.

Ms. Danko's proposed amendment failed by a vote of 3-6, with Ms. Danko, Ms. Heidelbaugh and Ms. Means voting in favor, and all other Committee Members voting against.

The motion to approve amendment Heidelbaugh 1 failed by a vote of 1-8, with Ms. Heidelbaugh voting in favor and all other Committee Members voting against.

In response to a question from Ms. Means, Mr. McKain noted that funding for the proposed park ranger program was accounted for in the operating budget.

In response to a question from Ms. Means, Mr. McKain noted that the steam heating improvement funding is accounted for in the capital budget and provided a breakdown of the funding and program activities. Ms. Means noted that published reports suggest that the project may actually end up costing the County more than it saves. Mr. McKain noted that the report in question was in error insofar as the County would not, in fact, be hiring additional employees.

Ms. Means asked if Brightwood Road improvements would be undertaken in 2015, and Mr. McKain noted that he believes that the road is in need of reconstruction, but that competing priorities dictate what roads receive funding in any given budget year.

Ms. Heidelbaugh noted that she would vote against the capital budget, and explained her reasoning.

Mr. Macey's motion to affirmatively recommend the bill as amended was seconded by

Ms. Danko and passed by a vote of 8-1, with all Committee Members except Ms. Heidelbaugh voting in the affirmative, and Ms. Heidelbaugh voting in the negative.
Amended and Affirmatively Recommended as Amended

Enactment No: 35-14-RE

[8630-14](#)

Resolution of the County of Allegheny, Commonwealth of Pennsylvania, adopting the Grants Budget, Special Accounts Budget, and Agency Fund Budget, by setting forth appropriations to pay said expenses during the fiscal year beginning January 1, 2015 and ending December 31, 2015.

Sponsors: Council Member Finnerty, Council Member Macey and Council Member Palmiere

At the request of the Chair, the clerk read the title of the bill.

The Chair provided a brief overview of the bill as drafted, and reviewed the differences between this resolution and the budget recommended by the Chief Executive.

In response to a question from Ms. Danko, the Chair noted that the CDBG projects are usually forwarded to Council for review and approval in March or April.

In response to a question from Ms. Means, Mr. McKain noted that funding for the County's steam modernization project is contained within the capital budget.

Mr. Macey's motion to affirmatively recommend was scinded by Ms. Rea, and passed by a unanimous vote of all Committee Members.

Affirmatively Recommended

Enactment No: 36-14-RE

V. Adjournment

The meeting adjourned at 5:41.