
Minutes

Call to Order: Mr. Porco

Pledge of Allegiance: Mr. Porco

Roll Call:

| | | | |
|--------------|-----|-------------------------------|--------|
| Mr. Belmonte | Yes | Mr. Porco | Yes |
| Mr. Karas | Yes | Mayor Heller | Absent |
| Ms. Katchmar | Yes | Janet Sullivan, Tax Collector | Absent |
| Ms. Liscio | Yes | Steve Korbelt, Solicitor | Yes |
| Mr. O'Malley | Yes | Paul Gaus, Engineer | Yes |
| Mr. Tomasic | Yes | Steven Morus, Manager | Yes |

President's Report: Mr. Porco

Mr. Porco noted the following:

The passing of two very involved volunteers, Mike Vacsulka and Dick Crowley and offered praise for their work and their involvement in the community.

Several council members met with Wilkesburg representatives and representatives of the Hosanna House re: noise and other issues. Mr. Porco discussed the meeting.

A dinner meeting with the Woodland Hills School District Superintendent was held with Forest Hills and other municipal officials.

The borough celebrated National Night Out earlier this month.

The taser incident in Swissvale Borough and the impact it can have on a municipality and its officials. He suggested that the public safety committee may wish to review our policy again to make sure it is tight.

Ms. Katchmar discussed a meeting on police regionalization – the meeting was very preliminary – no decisions have been made - basically doing ground work to see how we would bring communities together – regionalization is not meant to eliminate jobs – advantages are a larger police force, savings on equipment, automobiles and headquarter costs – train officers in special areas of law enforcement. Communities involved: Forest Hills / Chalfant, Churchill and Wilkins Twp. Calls have been made to Edgewood and Braddock Hills.

Mr. Porco comments this is a long term process and we are being very diligent and careful as we proceed. Each borough separately spends between 1.2 to 1.4 million a

year on public safety alone. Hard to say when it will happen or where, but it does seem inevitable.

Mayor's Report:

Mayor Heller

No report.

Tax Collector's Report:

Ms. Sullivan

No report.

Police Chief's Report:

Chief Fabrizi

Chief Fabrizi presented his monthly activity report.

Noted that a survival training class was held with several of our officers in attendance.

Officers are presently undergoing weapons qualifications.

Discussed a triple fatality accident on Ardmore that is under investigation by the county police. It appears that speed was involved in causing the accident.

Fire Chief's Report:

Chief Heller

No report.

Woodland Hills EMS Report:

Adam Knight

No report.

Solicitor's Report:

Steve Korbel

No report.

Wilkesburg Penn Joint Water Authority Report:

Ms. Broz

Ms. Broz reported on Authority activities and Greensburg Pike work.

Public Comment

Jim Busa, 471 Atlantic Avenue – comments he has noticed concrete with bolts along the Ardmore, does this mean the arches are going up soon?

Mr. Tomasic states that 2 should be installed by January of 2009.

Ms. Katchmar comments that it is possibly 2 will be up in time for the holidays.

Mr. Busa would like to know how much all of this is going to cost.

Ms. Liscio states that the CDC is paying for the arches from a grant - no borough funds are being used.

Mr. Busa – inquires if there will be a guardrail outside the entrance to the senior housing building because the sidewalk is not very wide. Residents exiting on to that narrow sidewalk in wheel chairs and walkers are creating a safety issue.

Mr. Porco comments that he does not recall seeing a guardrail on the plans.

Mr. Busa would like to know about a clock that is supposed to go in the medial strip?

Ms. Katchmar comments the Rotary Club is fund raising for a borough clock – the location of the clock has not yet been determined.

Mr. Busa informed council about a hologram that looks like a speed hump – it is 3-D and looks like there is a hump in the road – this may be something the borough would like to check into since he heard about the speed hump that will be going in.

Committee Reports:

PUBLIC WORKS COMMITTEE

Mr. Belmonte

General Report:

1. The committee chair continues to discuss the contract with Chalfant Borough for public works services. The current agreement expires at the end of this year.
2. Committee members agreed that the borough should join a tentative plan of the Turtle Creek Valley Council of Governments to submit a grant application with the Southwestern PA Commission to upgrade and coordinate traffic signals. The grant may require up to a 20% match by the borough.
3. The committee reviewed the problem of storing of materials and disposing of scrap materials in the borough. At this time, the crew will work toward establishing an access road to an area behind the ball fields at the rec center on Barclay which will be used as a fill area that will allow the borough to eventually expand the size of the ball fields. The crew will also investigate the use of privacy fencing in the area behind the garage and on the grass lot at the rec center to allow for material and equipment storage for borough contractors. It is anticipated that funds for this work will be available in the 2009 budget pending council review and approval.

FINANCE COMMITTEE

Mr. Tomasic

Motion: Move to approve payment of bills for the month of July in the following amounts:

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|----------------------------|--------------|
| General Fund Budget: | \$258,617.72 |
| Capital Improvements Plan: | \$ 254.95 |
| Corrective Action Budget: | \$ 52,245.20 |
| Road Improvement Fund: | \$208,284.98 |
| Bond Issue: | \$ 522.30 |

Moved: Mr. Tomasic
Second: Ms. Liscio

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|-----------------|--------------|-----|
| Roll Call Vote: | Mr. Belmonte | Yes |
| | Mr. Karas | Yes |
| | Ms. Katchmar | Yes |
| | Ms. Liscio | Yes |
| | Mr. O'Malley | Yes |
| | Mr. Tomasic | Yes |
| | Mr. Porco | Yes |

Detail of non general Fund Items:

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|----------------------------|---|
| Capital Improvements Plan: | Computer system upgrade |
| Corrective Action Budget: | Sanitary sewer consent order work and engineering |
| Road Improvement: | Paving work to date plus engineering and curb costs |
| Bond Issue: | Ryan Glen Park improvements |

Motion: Move to approve resolution number 1075 which verifies that the police were not required to contribute to their pension plan in 2006 and 2007.

Moved: Mr. Tomasic
Second: Ms. Liscio

Resolution Title reads as follows:

A RESOLUTION OF THE BOROUGH OF FOREST HILLS, ALLEGHENY COUNTY, PENNSYLVANIA, AUTHORIZING THE ELIMINATION OF POLICE EMPLOYEE PENSION PLAN CONTRIBUTIONS FOR THE YEARS 2006 AND 2007

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| Roll Call Vote: | Mr. Belmonte | Yes |
| | Mr. Karas | Yes |
| | Ms. Katchmar | Yes |

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|--------------|-----|
| Ms. Liscio | Yes |
| Mr. O'Malley | Yes |
| Mr. Tomasic | Yes |
| Mr. Porco | Yes |

Motion: Move to approve a council policy on the establishment and use of a budget reserve fund as shown on the attachment to this agenda.

Moved: Mr. Tomasic
Second: Ms. Liscio

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|-----------------|--------------|-----|-----|
| Roll Call Vote: | Mr. Belmonte | Yes | |
| | Mr. Karas | Yes | |
| | Ms. Katchmar | | Yes |
| | Ms. Liscio | Yes | |
| | Mr. O'Malley | Yes | |
| | Mr. Tomasic | Yes | |
| | Mr. Porco | Yes | |

General Report:

1. The committee reviewed the borough's pension plan investments with Don Brown of Bank of New York/Mellon. During the review, Mr. Brown raised the issue of using the "short sale" as an investment strategy for a small portion of these funds. The committee did not have a recommendation on this strategy and, because it is not specified in the current investment policy, asks that the full council review the recommendation. Mr. Brown subsequently provided the following explanation of "short selling" and of the recommended strategy that BNY/Mellon prefers to use:

Short Selling

The selling of a security that the seller does not own, or any sale that is completed by the delivery of a security borrowed by the seller. Short sellers assume that they will be able to buy the stock at a lower amount than the price at which they sold short.

Selling short is the opposite of going long. That is, short sellers make money if the stock goes down in price. This is an advanced trading strategy with many unique risks and pitfalls. Novice investors are advised to avoid short sales.

The warning at the end bears consideration. While novice investors are advised to avoid short sales, you have an experienced, knowledgeable investment manager, The Boston Company Asset Management, employing this strategy and only doing it as part of a 130-30 strategy. They only short a maximum of 30% of their

portfolio. Since this represents only 7.5% of your total account, the total short position would be less than 3% of the total account.

130-30 Strategy

A strategy that uses financial leverage by shorting poor performing stocks and purchasing shares that are expected to have high returns. A 130-30 ratio implies shorting stocks up to 30% of the portfolio value and then using the funds to take a long position in the stocks the investor feels will outperform the market. Often, investors will mimic an index such as the S&P 500 when choosing stocks for this strategy.

To engage in a 130-30 strategy, an investment manager could rank the stocks used in the S&P 500 from best to worse on expected return, as signaled by past performance. From the best ranking stocks, the manager would invest 100% of the portfolio's value and short sell the bottom ranking stocks, up to 30% of the portfolio's value. The cash earned from the short sales would be reinvested into top-ranking stocks, allowing for greater diversification in the higher ranks.

2. The manager distributed packets for the preparation of the 2009 budget and capital improvements plan. Preparation of the 2009 budget will continue during finance committee meetings through the end of the year. All meetings are open to the public.
3. The manager reviewed a draft Request for Proposals (RFP) for pension investment, management and administrative services with the committee. Once a review of the contents by the treasurer and solicitor is completed, the manager is asked to advertise the RFP.

BOROUGH PROPERTY

Mr. Karas

Motion: Move to approve the bid of L & L Roofing in the amount of \$63,096 for replacement of the roof at the Forest Hills/Westinghouse Recreation Center lodge.

Moved: Mr. Karas
Second: Mr. Tomasic

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|-----------------|--------------|-----|-----|
| Roll Call Vote: | Mr. Belmonte | Yes | |
| | Mr. Karas | Yes | |
| | Ms. Katchmar | | Yes |
| | Ms. Liscio | Yes | |
| | Mr. O'Malley | Yes | |
| | Mr. Tomasic | Yes | |
| | Mr. Porco | Yes | |

Motion: Move to approve the bid of Plavchak Construction Co. Inc. in the amount of \$30,700 for improvements to the rest rooms at the main park with funds coming from the Community Development Block Grant (CDBG) program through the Turtle Creek Valley Council of Governments.

Moved: Mr. Karas
Second: Mr. Tomasic

Roll Call Vote: Mr. Belmonte Yes
Mr. Karas Yes
Ms. Katchmar Yes
Ms. Liscio Yes
Mr. O'Malley Yes
Mr. Tomasic Yes
Mr. Porco Yes

General Report:

1. Mr. Morus reviewed the control procedures for scheduling and use of the lights at the recreation center ball field 1. We have the ability to control it automatically via internet or by phone call to the lighting company. The committee asked that both he and Cindy Simm serve as backups for use of the lights and that the Churchill Forest Hills Baseball Association designate one person to handle scheduling. The committee reiterated council's original policy that the lights are to be used for the association only although use for those who rent the entire facility for an additional fee may be considered in the future.
2. Ms. Katchmar informed the committee that the Rotary is considering a fund raising effort to purchase a large decorative clock for either the borough building or use in the Ardmore median. Committee members agreed with the effort.
3. Ms. Liscio asked the committee for opinions on naming the Volunteer Fire Department building for Chief Ray Heller. The committee approved of the suggestion and she will approach the VFD board with the idea.

PUBLIC SAFETY

Mr. O'Malley

Motion: Move to approve a traffic calming policy as shown in the attachment to this agenda.

Moved: Mr. O'Malley
Second: Mr. Tomasic

Roll Call Vote: Mr. Belmonte Yes

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|--------------|-----|-----|
| Mr. Karas | Yes | |
| Ms. Katchmar | | Yes |
| Ms. Liscio | Yes | |
| Mr. O'Malley | Yes | |
| Mr. Tomasic | Yes | |
| Mr. Porco | Yes | |

Motion: Move to approve the installation of two permanent speed humps on Sherwood Road between the borough line and Cherry Valley Road with appropriate signs noting the presence of speed humps and with funding to be determined.

Moved: Mr. O'Malley
Second: Mr. Karas

Roll Call Vote:

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|--------------|-----|-----|
| Mr. Belmonte | Yes | |
| Mr. Karas | Yes | |
| Ms. Katchmar | | Yes |
| Ms. Liscio | Yes | |
| Mr. O'Malley | Yes | |
| Mr. Tomasic | Yes | |
| Mr. Porco | Yes | |

Mr. Porco noted that the public works will install the speed humps based on a review by the engineer.

General Report:

1. The committee chair continues to discuss the contract with Chalfant Borough for police services. The current agreement expires at the end of this year.

OPERATIONS & POLICY

Ms. Liscio

Motion: Move to approve the minutes from the July 16, 2008 council meeting.

Moved: Ms. Liscio
Second: Ms. Katchmar

Voice Vote – all in favor

Motion: Move to approve ordinance number 979 authorizing the borough to enter into an intergovernmental cooperation agreement with Wilkins Township and Penn Hills to submit a joint grant application for a study of greenhouse gas emissions in cooperation with Duquesne University.

Moved: Ms. Liscio
Second: Mr. Karas

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|-----------------|--------------|-----|-----|
| Roll Call Vote: | Mr. Belmonte | Yes | |
| | Mr. Karas | Yes | |
| | Ms. Katchmar | | Yes |
| | Ms. Liscio | Yes | |
| | Mr. O'Malley | Yes | |
| | Mr. Tomasic | Yes | |
| | Mr. Porco | Yes | |

General Report:

1. The manager asked the committee to consider establishing a policy on pre employment physicals for any future new hires. The committee agreed that the borough should consider this and asked the manager to discuss with our solicitor.
2. The manager discussed a suggestion from a Wilkins Township resident that would create a new, separate zip code for Forest Hills, Wilkins and Churchill. The resident, Ms. Dilucente, believes that it would better establish the identities for the three communities and could improve rates for various insurances. The committee noted that if she is willing to investigate the issue further they will be willing to review her findings.
3. Council will meet in executive session following this meeting to consider several personnel issues including the manager's annual evaluation.
4. Mr. Morus noted that he is interested in applying to the International City/County Management Association's (ICMA) credentialing program. Mr. Morus is a member and the borough is an ICMA recognized community. The credentialing essentially establishes that a manager is committed to high ethical standards as well as continuing professional development. Mr. Morus currently attends several regional, state and national conferences which would continue and be required under the credentialing. The committee and council members present had no objection to pursuing and maintaining the credentialed status for the manager. The cost of the credentialing application will be borne by Mr. Morus.

Ms. Liscio comments that Steve Morus is well respected in all communities and we are proud to have him as our borough manager.

5. All members of council will soon have a separate extension on the borough's phone system that will accept voice mail from residents or others interested in contacting them. The extension numbers will be included for each member on

the borough's website once the extension numbers are up and running by the end of the month.

6. Ms. Liscio raised concerns about emails – not everyone is always copied on the e-mails – would like everyone to be included in the e-mails.

Mr. Porco - Sometimes a discussion starts in an e-mail chain and sometimes it isn't necessary to e-mail all of council.

Ms. Liscio comments if it is regarding policy issues and other big issues all of council should be included in an e-mail.

Mr. Tomasic comments he thought there were already discussions about e-mails and some concerns about whether or not more than 4 people should be involved in e-mail discussions in terms of policy because of the sunshine law. E-mails would be kept to members of that committee.

Mr. Korbelt comments the e-mails are not a legal issue to be concerned about for communication of things in an informative nature. No discussion of pros and cons, or deliberations in the e-mails, strictly informational.

Mr. Tomasic - for the record, this came up some time ago, by an elected official, who made the comment that we were in violation.

PLANNING & ZONING

Ms. Katchmar

General Report:

1. The manager reviewed the status of several complaints received and discussed the anonymous complaint policy we follow which is outlined on the borough website (www.foresthillspa.org) and will be updated based on committee discussion. Basically, the borough may investigate an anonymous complaint if necessary but generally discourages them except in serious cases because it does not allow us to gather information or respond to the complainant on why the complaint is valid or not. We follow a policy of not involving the borough in what appears to be a conflict between neighbors, especially in the instance of an anonymous complaint. We investigate those items that we feel may be a violation of the borough code of ordinances.
2. Dominion Peoples gas approached the borough about the need to install an above ground gas meter on their right of way on the lot at the intersection of Sumner and Avenue K near Ardmore. The meter will be enclosed by fencing and they will use landscaping to screen the installation.

3. The contractor at the Senior Apartment building on Ardmore is installing the smoke alarm system required by the Forest Hills Volunteer Fire Department.

Old Business:

Mr. Belmonte discussed attending CDC meetings and thanks the CDC for all the work they have done over the past 8 years. These projects are funded by grants and not any public money.

Frank requested a copy of the court reporter's copy for the approval of the senior apartments.

New Business:

None.

Adjourn: Motion to adjourn or adjourn by acclamation

Moved: Mr. Karas
Second: Mr. Belmonte

Voice Vote

- Next Scheduled Council Meeting: September 17, 2008
- Next Scheduled Committee Meetings (order to be determined): Tuesday, September 2, 2008 (Borough Property, Public Works, & Planning & Zoning) and Thursday, September 4, 2008 (Finance, Operations & Policy, & Public Safety).

Borough of Forest Hills
Budget Reserve Policy

General Fund

It is the policy of Forest Hills council that the borough seek to maintain a budget reserve (sometimes known as a “rainy day fund”) of at least 5% but no more than 10% of its general fund budget for a given year.

It is Forest Hills council’s policy that the budget reserve for the general fund will be used as follows:

1. All funds will be invested in the highest yielding instrument possible that is consistent with the borough’s investment policy.
2. Any capital reserve funds will be invested separately and remain segregated from general fund or other reserve funds.
3. Interest earned on the budget reserve investment will be devoted to reinvestment in the reserve account.
4. Council authorizes the use of the general fund budget reserve funds only in the following instances:
 - a. Staff may draw from this fund to use for ready cash in the fourth quarter of a given year should the cash position of the borough be in need of such infusion or if the general fund is in deficit
 - b. Otherwise funds will only be used at the discretion of council by simple majority vote.
5. It is the intent of council that the general fund budget reserve fund be maintained as a tool only for emergencies and not as a method for reducing taxes or increasing spending.
6. Should any or all of the budget reserve be needed to handle an emergency or a fourth quarter deficit council will seek to return the reserve to its recommended level as stated above within the next two years following the use of reserve funds.
7. Council intends to maintain the general fund budget reserve at an average amount of 7% of the total budget for a given year and may choose to use any funds in excess of that amount for additional expenditures, funding of the capital reserve fund, or tax relief by simple majority vote of council.

Capital Reserve Funds

It is the policy of Forest Hills council that the borough seek to maintain a budget reserve in the capital improvements fund of at least \$250,000. Council may decide to fund the capital reserve by contributing general fund dollars to the fund each year as determined during the budgeting process until such time as the fund meets the dollar goal established here. After that time, interest will be used to increase the size of the fund and general fund dollars will only be used to fund the capital reserve in the future when the balance in that account drops below the goal established here. In an emergency as defined by council, council may determine that as much as 75% of the fund may be spent in a given year. Following such spending, council will work to return the fund to its recommended level within the succeeding five years.

Council may consider establishing a reserve for other capital funds as part of this policy.

1. Interest earned on any capital reserve investments will be devoted to reinvestment of funds in the capital account until such time as council may determine that such interest may be used to fund a current year's capital purchases.
2. It is the intent of council that any capital reserve funds be maintained to fund future capital purchases. To that extent, such funding will be limited to no more than 25% of the fund during a given year.

RECOMMENDED POLICY
TRAFFIC CALMING PROGRAM
FOREST HILLS BROUGH

PURPOSE AND GOALS

The purpose of this policy is to preserve and improve the safety of all residents within our Borough through the use of traffic calming measures. Traffic calming involves the combination of measures that reduce the negative effects of motor vehicle use, alters driver behavior, addresses dangerous conditions, and improves conditions for pedestrians, children, (especially where there are no sidewalks) bicyclists, and all other non drivers. The steps of this program are listed numerically as follows.

1. **REQUEST:** This step describes the method in which a traffic calming project will be submitted and how it will be reviewed and implemented. An individual resident or group of residents shall submit a written request to the Public Safety Committee (PSC) for review. The request must be accompanied by a written petition signed by ten (10) residents that are affected by the area of concern. The PSC will determine if the request should be evaluated further during their committee meeting. (In the case that the PSC is reorganized, the appropriate committee shall be selected by Council President and the Borough manager.) Input from appropriate borough entities may be solicited.
2. **TRAFFIC CALMING PLAN DEVELOPMENT:** This step involves developing a traffic calming plan to meet the specific goals of the PSC. Appropriate borough officials working with the PSC will develop one or more options to address the goals of the petitioners. The plans may utilize one or more traffic calming device including, but not limited to, temporary and permanent speed humps, traffic circles, center islands, median barriers, and realigned intersections. All discussion will be held at the PSC committee meetings and council business meeting ensuring an open forum for resident attendance.
3. **APPROVAL PROCESS:** This step requires the plan arrived at through the PSC meeting, resident, and public official input to be presented for discussion and vote to at the following council business meeting. The council may approve or reject the plan. If funding is not available, the plan may be deferred to the next budget.
4. **Installation and Evaluation:** This step involves the installation of the approved plan and determining the effectiveness. The devices are installed. The residents are asked if the plan is considered successful. Further evaluation of the problem may be needed.

THE PETITION: The residents will be offered the following language by the borough official who instructs them on the traffic calming petitioning procedure.

PETITION FOR TRAFFIC CALMING
EVALUATION

In accordance with the traffic calming policy of Forest Hills Borough, we the undersigned petition the Public Safety Committee to investigate the need for traffic calming on

_____ because we feel that the traffic safety has a negative impact on our community. It is understood that the traffic calming program is intended to address these issues. We also recognize that this initial petition will only begin the process of investigating the eligibility of the specified location for this evaluation. If a traffic calming program is proposed in this area, further input will be requested on the plan to develop prior to implementation.

NAME and SIGNATURE (Minimum of ten (10) residents) ADDRESS