

SCRANTON CITY COUNCIL MEETING

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HELD:

Thursday, January 5, 2017

LOCATION:

Council Chambers

Scranton City Hall

340 North Washington Avenue

Scranton, Pennsylvania

CATHENE S. NARDOZZI, RPR - OFFICIAL COURT REPORTER

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CITY OF SCRANTON COUNCIL:

JOSEPH WECHSLER, PRESIDENT

PATRICK ROGAN, VICE-PRESIDENT

WAYNE EVANS

WILLIAM GAUGHAN

TIM PERRY

LORI REED, CITY CLERK

KATHY CARRERA, ASSISTANT CITY CLERK

AMIL MINORA, SOLICITOR

1 (Pledge of Allegiance recited and  
2 moment of reflection observed.)

3 MR. WECHSLER: Roll call, please.

4 MS. CARRERA: Mr. Perry.

5 MR. PERRY: Here.

6 MS. CARRERA: Mr. Rogan.

7 MR. ROGAN: Here.

8 MS. CARRERA: Mr. Evans.

9 MR. EVANS: Here.

10 MS. CARRERA: Mr. Gaughan.

11 MR. GAUGHAN: Here.

12 MS. CARRERA: Mr. Wechsler.

13 MR. WECHSLER: Here. There will be  
14 a motion to move Items 5-B, 5-C, 5-D and 5-E  
15 5-F, and 5-G to Sixth and Seventh Orders for  
16 final vote based on the attached emergency  
17 certificates. There will be a second  
18 opportunity to speak in Seventh Order prior  
19 to final passage of these six pieces of  
20 legislation. Dispense with the reading of  
21 the minutes.

22 MS. REED: THIRD ORDER. 3-A.  
23 CONTROLLER'S REPORT FOR MONTH ENDING  
24 NOVEMBER 30, 2016.

25 MR. WECHSLER: Are there any

1                   comments? If not, received and filed.

2                   MS. REED: 3-B. CHECK RECEIVED IN  
3                   THE AMOUNT OF \$175,000.00 FROM THE  
4                   UNIVERSITY OF SCRANTON ANNUAL CONTRIBUTION,  
5                   WHICH IS PAYMENT IN LIEU TAXES.

6                   MR. WECHSLER: Are there any  
7                   comments? If not, received and filed.

8                   MS. REED: 3-C. TAX ASSESSOR'S  
9                   REPORT FOR HEARING DATE TO BE HELD JANUARY  
10                  11, 2017.

11                  MR. WECHSLER: Are there any  
12                  comments? If not, received and filed. Just  
13                  as a note, this evening an executive session  
14                  was held to discuss a matter of the  
15                  litigation.

16                  Do any council members have  
17                  announcements at this time?

18                  MR. PERRY: Yes, I have one. Based  
19                  on current cold weather information, the  
20                  Lackawanna County Commissioners are  
21                  declaring a Code Blue frigid weather alert  
22                  beginning 9 a.m. on Wednesday, January 4,  
23                  and ending at noon Monday, January 9.  
24                  Again, a Code Blue Alert is issued in the  
25                  forecast of Lackawanna County including the

1 windchills, it's expected to go below 20  
2 degrees. During a Code Blue alert, homeless  
3 individuals can access emergency shelter at  
4 following locations: The Bethel AME Church  
5 shelter at 716 North Washington Avenue,  
6 Scranton. Hours are 7 p.m. to 8 a.m. St.  
7 Anthony's Haven, 409 Olive Street, Scranton.  
8 Hours are 7:30 p.m. to 8 a.m. Community  
9 Intervention Center 445 North Sixth Avenue,  
10 Scranton. Hours are 8 a.m. to 6 p.m.

11 MR. ROGAN: I have one as well.  
12 Lackawanna County Land Bank Community  
13 Outreach presentation will be held on  
14 Tuesday, January 10, at 6:00, in the  
15 community room at the Goodwill apartments,  
16 the Jerry Langan apartments, 1539 North Main  
17 Avenue in Scranton. The presentation will  
18 outline Lackawanna County's Land Bank  
19 history and mission and to discuss blight in  
20 the neighborhoods. The presentation is free  
21 and open to the public. It will be followed  
22 by an opportunity for attendees to ask  
23 questions.

24 The primary mission of the  
25 Lackawanna County Land Bank is to acquire

1 tax delinquent and abandoned properties and  
2 sell them to responsible and capable owners  
3 through a negotiated sales process. For  
4 more information about the land bank and the  
5 upcoming program, you can contact Ralph  
6 Pappas at 570-963-6830, extension 1358.  
7 Thank you.

8 MR. WECHSLER: Since we are back  
9 into January this is always a nice thing to  
10 announce, Winter in the City will be held  
11 again on January 13 and February 17. The  
12 cocktail event showcases our amazing area  
13 cuisine featuring Paul Labelle, The Exact  
14 Change, and will play in a January 1 to 5.  
15 Group D'Jour will play in February, plus  
16 silent items for local vendors. Event  
17 tickets will be \$20. The events kick off at  
18 Posh from 5:30 to 8 p.m. All proceeds  
19 benefit the projects of Scranton Tomorrow.

20 MS. REED: FOURTH ORDER. CITIZENS'  
21 PARTICIPATION.

22 MR. WECHSLER: Joan Hodowanitz.

23 MS. HODOWANITZ: Joan Hodowanitz,  
24 resident and taxpayer. With regard to the  
25 2015 audit, when will the summary be

1 published in the newspaper per the Home Rule  
2 Charter?

3 MR. WECHSLER: It should be sometime  
4 in the next week.

5 MS. HODOWANITZ: Okay, thank you.  
6 With regard to the 2017 operating budget, I  
7 checked around 4:50 p.m. on the website. I  
8 see that it's not posted yet to the Business  
9 Administrator's webpage. If we could get  
10 that posted so that the citizens have access  
11 to it electronically.

12 And with regard to the Sewer  
13 Authority sale, I think while commending  
14 people I was very surprised to see that we  
15 are not getting the windfall we thought we  
16 were getting. We are getting apparently  
17 \$66.5 million, with the potential for  
18 getting another \$17 million over the year  
19 should we get all of the money in escrow  
20 coming back, which is not a guarantee.

21 I have a few questions with regard  
22 to this disclosure. As I listened to the  
23 legislation as we passed the 2017 budget,  
24 and as I listened to the legislation by  
25 which the Sewer Authority was disbanded, I

1           didn't hear anything about this. My  
2           question is did anybody on council have any  
3           idea that we were going to have this kind of  
4           shortfall before it appeared in the  
5           newspaper?

6                       MR. GAUGHAN: No, I had no clue, and  
7           I can't speak for everybody else, but I was  
8           just as shocked as every other citizen that  
9           we are \$30 million short of what the mayor  
10          and the administration had been touting for  
11          a whole year, so the fact that we were left  
12          in the dark is pretty concerning to me, and  
13          I'll address that in motions, but, no, I had  
14          no clue that that was going to be that  
15          short.

16                      MS. HODOWANITZ: I would try to make  
17          an appointment to see the mayor and ask him  
18          this question, or the BA, but I have already  
19          got a standing request for such an  
20          appointment dating back to last March 16 and  
21          I have never been given an appointment, have  
22          you any idea whether the mayor and the BA  
23          knew this was coming down?

24                      MR. GAUGHAN: I have no idea, but  
25          that was actually one of my questions. When



1 did the mayor know? I find it hard to  
2 believe that he would walk into a closing  
3 and \$30 million would just come out of  
4 nowhere, so I would assume that he would  
5 have known that for weeks, but that is  
6 actually one of the questions that I'll be  
7 posing to the mayor and the administration.

8 MS. HODOWANITZ: Have you had any  
9 information from the administration  
10 regarding this new information as to how the  
11 proceeds will now be distributed? I'm  
12 particularly concerned about what amount of  
13 funds is going toward the pension fund since  
14 I recall Mr. Bulzoni saying in this room  
15 that they are going to try to put sufficient  
16 funds into the pension plans to go from  
17 severely distressed to moderately  
18 distressed, how much money would they have  
19 to put into to do that? It's a big lump.

20 MR. EVANS: More than they have, so  
21 I don't think that's going to be an issue.

22 MS. HODOWANITZ: Yep. I don't think  
23 so either. With regard to the RFP for the  
24 storm water management study that the  
25 deadline was in October, and I see it still

1 has not appeared in your legislation, and  
2 the story in the Times says that the study  
3 will take about ten months, which means that  
4 we'll get the information about a cost for  
5 storm water management sometime after the  
6 general election, I do not think that's fair  
7 to the citizens. I think that study should  
8 have been a priority, should have been  
9 pushed and we should know those answers  
10 before we go to the ballot box.

11 And what ever happened to the RFP  
12 for the third party administrator for the  
13 pension plans? I'm still waiting  
14 breathlessly. I could have a baby by the  
15 time I see that on the calendar.

16 MR. GAUGHAN: I'm still waiting for  
17 an answer on that, last I checked they were  
18 working on it and this is since March.

19 MS. HODOWANITZ: I know there has  
20 been a lot of positive spin about, you know,  
21 how the city is turning around, and in many  
22 ways it is, but I have a feeling that there  
23 is lot of smoke and mirrors going on around  
24 here and I, as a citizen, do not appreciate  
25 it. Thank you.

1 MR. WECHSLER: Fay Franus.

2 MS. FRANUS: Fay Franus, Scranton.  
3 Mr. Gaughan, I heard you mention that you  
4 wanted to ask the mayor those questions  
5 about when did he know about the shortfall,  
6 \$30 million, you have asked the mayor many  
7 questions but you have yet to get answers  
8 because he refuses to answer you, so what do  
9 we do as citizens if you can't even get  
10 answers from him? Don't you think he owes  
11 it to everybody in the city to tell us the  
12 truth?

13 MR. GAUGHAN: I do. I have actually  
14 had to file Right-to-Know requests, which is  
15 pretty disgraceful --

16 MS. FRANUS: Yes, it is.

17 MR. GAUGHAN: -- for a current  
18 elected official to have to do something  
19 like that, but the only recourse I guess  
20 that you have is to file a Right-to-Know  
21 request.

22 MS. FRANUS: Mr. Wechsler, could you  
23 get in touch with the mayor? Would he  
24 answer you if you asked that question versus  
25 Mr. Gaughan?

1 MR. WECHSLER: We are going to  
2 submit a list of questions to the mayor.

3 MS. FRANUS: Okay. Another thing, I  
4 think definitely that study that Joan was  
5 talking about, she has some excellent  
6 questions every week, but there is never any  
7 answers, there is just more questions and no  
8 answers. This study that she is referring  
9 to about the storm water and stuff, that  
10 should definitely be out before election  
11 because Bill Courtright is a snake in the  
12 grass and he is deliberately doing this to  
13 make sure it doesn't get out until after the  
14 election so then it's too late then he can  
15 do whatever he wants after four years.  
16 That's why there is no taxes this year.  
17 Just like I said last week, there is no  
18 taxes because he is running for mayor, not  
19 any other reason at all. So next year when  
20 we get clobbered in taxes, because he has to  
21 make them up someplace, because he is  
22 screwing so much this year with the budget.  
23 He took us over the coals already.

24 Now, back to the garbage fee, I was  
25 thrilled to read in the paper where this

1 gentleman is filing a class action lawsuit  
2 against the city for the garbage fee. This  
3 is the same gentleman that sued over the  
4 rental registration. You know, it's  
5 amazing, he comes to council and the rental  
6 registration is going to be so high, all of  
7 a sudden he is going file a lawsuit, all of  
8 a sudden it comes down. It's amazing.  
9 Somebody has to actually spend their own  
10 money filing a lawsuit to get something  
11 right in this city because you know, we  
12 can't -- I can't afford to go through a  
13 lawyer, and you all know this so that's why  
14 we get no answers, because you know, what  
15 are we going to do, right? We just have to  
16 sit and take your crap. Your lies.

17 Now, how did this gentleman, and  
18 whoever he is working with, get all of this  
19 information but yet you couldn't get the  
20 information and everybody else, Marie  
21 Schumacher and other people have sent  
22 Right-to-Knows about the bills for the DPW,  
23 oh, no answers. All of the papers, all of  
24 the papers are lost, they didn't have any  
25 record.

1 Well, how is this study that you  
2 spoke of, Mr. Evans, how are they getting  
3 their information if there is no papers  
4 available? I mean, where are they going to  
5 get their information? There is nothing  
6 available. They didn't keep track of  
7 anything. Where are they going to get it?  
8 Are they just going to guess? What I want  
9 to see is bills. I want to see a bill for  
10 everything, the truck fixed, everything  
11 there is.

12 MR. EVANS: Well, I think the Court  
13 case will determine that.

14 MS. FRANUS: Pardon me?

15 MR. EVANS: I would imagine the  
16 court case will determine all of that.

17 MS. FRANUS: Well, how about the  
18 fact that the people that are doing the  
19 study? Where are they going to get their  
20 figures? Where are they getting their  
21 figures from?

22 MR. EVANS: Well, they're  
23 professional consultants, I'm sure they'll  
24 be able to figure that out. That's what  
25 they get paid for.

1 MS. FRANUS: Well, and don't forget  
2 what I said about the recyclable. All of  
3 that money that you get from the recyclable  
4 doesn't go anything towards the people  
5 getting their garbage fee. That doesn't  
6 come back to the people to cut back on their  
7 garbage fee.

8 MR. EVANS: I agree with that  
9 totally. We should increase our recyclables  
10 so we can give money back to the people.

11 MS. FRANUS: Well, you agree with  
12 it, but nothing is being done about it. So  
13 why wasn't that taken into consideration for  
14 this year's budget? Why are we still paying  
15 \$300?

16 MR. EVANS: Well, we're waiting for  
17 the study --

18 MS. FRANUS: And all of that  
19 recyclable money isn't coming back to us,  
20 this year, last year and the year before and  
21 every other year. Are we going to get money  
22 back if we pay too much? I don't think so,  
23 but we should be. That you be part of the  
24 lawsuit. Every person, and I hope the city  
25 of Scranton and the DPW who works in that

1 office, the Treasurer's Office or whoever  
2 keeps a record of everybody who paid,  
3 because they're saying they didn't have  
4 records before, well, they are on the record  
5 now saying they have to have records. They  
6 can't make excuses for not having them it's  
7 been such a big issue that he didn't have  
8 them before, so they should know who paid  
9 what and every person that paid too much  
10 should get it back, because they could have  
11 used this as a tax write off, because it's  
12 really a tax, not a fee. They could have  
13 claimed it on their income tax, but because  
14 you call it a fee, it's really a tax, they  
15 couldn't. So, therefore, there is another  
16 thing, their income taxes is all messed up  
17 because of what you are doing.

18 So I just hope this lawsuit takes  
19 care of everything and these people get --  
20 everybody gets their money back and don't  
21 say, "Oh, well, it's already spent, da, da,  
22 da, da."

23 That's not my problem, that's your  
24 problem, that's the mayor's problem, and I  
25 hope this mayor ever, ever, ever gets



1           elected again because we are in the shape we  
2           are now because of him, and for people that  
3           vote for anything he wants. People better  
4           remember who voted for what he wanted come  
5           election time and don't get swayed by fancy  
6           parties and all of the hoopla he is going to  
7           say he is going to do this, he is a liar.  
8           We are where we are today because of Bill  
9           Courtright, don't ever forget that.

10           MR. EVANS: Thank you.

11           MR. WECHSLER: Lenny Serebro.

12           MR. SEREBRO: Lenny Serebro,  
13           taxpayer, Scranton resident. I live in the  
14           flood zone of Keyser Valley. So can anybody  
15           tell me what's new? You all know the  
16           problem up there.

17           MR. WECHSLER: Lenny, last time I  
18           spoke to Mr. Gallagher he told us he  
19           installed two pumps on Merrifield Avenue and  
20           they were working properly.

21           MR. SEREBRO: They he installed two  
22           pumps.

23           MR. WECHSLER: Yes. I spoke to him  
24           right before the holidays.

25           MR. SEREBRO: Geez, I know the pump

1 station is right down the street from me  
2 there, I didn't see anything going on there.

3 MR. WECHSLER: We spoke to  
4 Mr. Gallagher prior to Christmas.

5 MR. SEREBRO: So the pump, the two  
6 pumps they put in you are saying is going to  
7 handle the water now.

8 MR. WECHSLER: That's what Mr.  
9 Gallagher informed us.

10 MR. SEREBRO: You know what, see, I  
11 don't know what's going on with the pumps,  
12 we won't know until we get a heavy rain, but  
13 I can tell you right now the rain that we  
14 had yesterday, that drainage pipe, that  
15 36-inch drainage pipe that nobody has done  
16 anything that I suggested flush it, I see  
17 DPW trying to dig it out and they just gave  
18 it up, gave up on it. Now, that drain is  
19 what's going to handle the water, the excess  
20 storm water, so nothing has been done about  
21 that drainage pipe.

22 MR. WECHSLER: No, not yet.

23 MR. SEREBRO: That's the big  
24 problem. Why can't it be flushed is my  
25 biggest question, I don't understand that.

1 Right now since the rain we got yesterday,  
2 you know, it filled up, I know it is  
3 draining at a very slow rate, but it backs  
4 up as soon as there is a moderate rain and  
5 then comes in the yards, goes down the  
6 street. That's the problem in the corner  
7 there. I don't know what the pumps are  
8 going to do for that, but the rain we got  
9 yesterday now filled it up, it backed up and  
10 now the cold weather set in overnight, it's  
11 frozen there. So now if we get a heavy rain  
12 it's got nowhere to go. That drainage pipe  
13 is frozen solid now and there is a lack  
14 around the corner where it empties into it.

15 What's with flushing the drain? You  
16 know, I keep saying that's going to resolve  
17 a lot of the problems but nothing is getting  
18 done about that. I don't know about these  
19 pumps, you know, but I'm going to dig into  
20 that and see what's going on, and I don't  
21 think the pumps are going take care of that  
22 drainage pipe in the corner there where all  
23 of the water empties into it, and I'm  
24 telling you if it warms up and we get a lot  
25 of rain like, you know, a solid one-day

1 heavy rain it's going to be the worst that  
2 it ever was because it's all frozen now.

3 I don't know if they did anything  
4 that made it worse now, but like I said, DPW  
5 was up there trying to dig out that drainage  
6 pipe and they were there a little bit and  
7 they are gone and that's it. Like I said,  
8 now, you know, it's a frozen lake there.  
9 You guys are the ones who are supposed to  
10 tell me something. What do you suggest?

11 MR. WECHSLER: Mr. Serebro, we are  
12 working on it. I contacted --

13 MR. SEREBRO: Twenty years of  
14 working on it. Twenty years. Everybody  
15 knows there has been a problem there  
16 forever, but as developments still keeps  
17 going on the other side of Keyser Avenue up  
18 in Fawnwood all of this drainage cannot --  
19 it can't handle it. Whoever planned it  
20 years ago, I'm telling you, they had to be  
21 incompetent, you know, for the drainage  
22 system that they put in there. Now that  
23 it's all being developed up there, you know,  
24 it just can't handle it.

25 MR. ROGAN: You are exactly right,

1 and as we discussed with Senator -- we have  
2 been in touch with Senator Blake's staff as  
3 well, the problem does start up mountain.

4 MR. SEREBRO: Yes. Yes.

5 MR. ROGAN: Actually outside of  
6 Scranton.

7 MR. SEREBRO: Yes.

8 MR. ROGAN: And water rolls downhill  
9 and, unfortunately, you know, there is a  
10 valley and that's where many of the problems  
11 are. It's actually all of the way down.  
12 Residents on West Mountain as well are  
13 having problems with the water coming down,  
14 but as Mr. Wechsler mentioned, the pumps  
15 were installed. We hope that does  
16 something, but there has to be an upstream  
17 fix and, unfortunately, that's something  
18 that's going to be very expensive.

19 MR. SEREBRO: So can you answer me  
20 what the pumps do?

21 MR. ROGAN: I'm not an engineer, I  
22 can't explain that to you.

23 MR. PERRY: I'm going to make a call  
24 tomorrow, I have it in my notes. First of  
25 all, I want to know why the progression

1           stopped with the drainage pipe. Did they  
2           run into an issue? What was the issue?  
3           What's their next step, because I was under  
4           the assumption that they took care of that.  
5           So they showed up, they started, they  
6           stopped, the --

7                     MR. SEREBRO: They just dug it out a  
8           little bit and they gave up and --

9                     MR. PERRY: Well, I'm going to find  
10          out --

11                    MR. WECHSLER: Excuse me, Councilman  
12          Perry, just to answer Mr. Serebro, the issue  
13          was we are still aren't sure if the city  
14          possesses the equipment to properly clean  
15          out that drain, so the --

16                    MR. SEREBRO: Well, the Sewer  
17          authority has the equipment but now the  
18          Sewer Authority is sold.

19                    MR. WECHSLER: Right. Right, so we  
20          are dealing with a new entity in a few weeks  
21          because of the transfer so where we left it  
22          was that the Sewer Authority was going to  
23          determine, they are going to try and scope  
24          it for us. I don't know if that was  
25          successful because of the transition, but I

1 don't believe that the city possesses the  
2 proper equipment to clean out the pipe.  
3 Sorry, Mr. Perry.

4 MR. PERRY: Yeah, and as far as the  
5 pumps, I'm going to ask for the status on  
6 the pumps. What did they replace? What's  
7 their now? What's their expectations of the  
8 volume? What are they supposed to do? How  
9 much water are they supposed to move an  
10 hour? I'm sure there is some kind of  
11 specifications to these pumps and, you know  
12 is it a realistic fix.

13 MR. SEREBRO: Thank you.

14 MR. PERRY: But I'll make that call  
15 tomorrow for you.

16 MR. SEREBRO: Thank you.

17 MR. WECHSLER: Lee Morgan.

18 MR. MORGAN: Good evening, Council.

19 I find this whole conversation really  
20 humorous that you just had here because the  
21 city doesn't have any equipment and it  
22 doesn't take rocket science to clean that  
23 pipe out. I mean, I'm a truck driver and I  
24 know how to do it. So, I mean, I don't know  
25 why I anybody that works for the city can't

1 do it either. Just go rent the equipment  
2 and go up there and get it done. But, you  
3 know, the thing that gets me, okay, and I  
4 have worked a lot on a lot of back equipment  
5 that will pull your muscles right out of  
6 your arms, okay, and I'm telling you there  
7 is equipment out there that will take  
8 care of that.

9 But the problem we really have in  
10 this city is we haven't incompetence from  
11 the top right to the bottom, and for the  
12 council to stand here and say today that  
13 they didn't know that this deal was going to  
14 be \$30 million short that's absolutely  
15 ridiculous because you had all of the  
16 figures right in front of you.

17 MR. WECHSLER: No, that's where you  
18 are wrong, Mr. Morgan, we did not have any  
19 figures.

20 MR. MORGAN: Well, I thought the  
21 mayor gave all of the information in regards  
22 to the sale right to the council.

23 MR. WECHSLER: Not until after the  
24 sale was completed.

25 MR. MORGAN: Well, how can you vote



1 to allow an authority to go out of existence  
2 without information?

3 MR. WECHSLER: That's why I voted  
4 against it.

5 MR. MORGAN: Oh, well, that's nice.  
6 Well, you know, I think, I think the  
7 residents of this city have a real decision  
8 to make here in the next election, and you  
9 know what it comes down to is are you going  
10 to allow this same silly stuff to continue  
11 after 25 years where the city has been just  
12 so thoroughly looted and, you know, we have  
13 never even found out where Mr. Amoroso came  
14 from, at least I haven't, and how he got his  
15 job and, I mean, we just don't know  
16 anything.

17 But, you know, I had the  
18 conversation with somebody who came back to  
19 visit the city yesterday after 35 years,  
20 went to high school with him, came back to  
21 visit his elderly parents for the holidays  
22 and he said to me, "Lee what happened here?  
23 Everything is condemned and run down."

24 He said the same thing my kids said,  
25 "The city is a slum. How did it happen?"

1                   You have to look at the residents,  
2                   but the other thing you have to look at is  
3                   the people we elect. You know, there is  
4                   going to be an election soon. It's time to  
5                   get rid of three councilmen, it doesn't  
6                   matter who they are because what has to  
7                   happen in the next election is we can't  
8                   allow another authority to be formed. No  
9                   Storm Water Authority, no silliness like  
10                  that, that's all got to stop, okay, because  
11                  we have enough authorities borrowing money  
12                  and all of this silliness that goes with it.

13                  You know, somebody went to look at a  
14                  house and I went with them the other day  
15                  because, I don't know, my father was a  
16                  master carpenter so I can look at a house  
17                  and pretty much tell you some of the things  
18                  about it, and the people that own the house  
19                  were thrilled if they could go \$40,000 for  
20                  it. It's ridiculous. Well, really it's  
21                  beyond ridiculous.

22                  And we have an elected government  
23                  that makes a lot of claims, we elect people  
24                  and they say all kinds of stuff. Well, we  
25                  have got kids in the Scranton School

1 District where the district just borrowed so  
2 much money that, in my opinion, none of the  
3 children that go to the Scranton School  
4 District get a meaningful education because  
5 the district is in so much debt that it  
6 can't put any money into the classrooms.

7 And you take a look at the city  
8 government, I don't know, they are talking  
9 about what we are going to do with the  
10 windfall from the Sewer Authority sale, a  
11 windfall is if I find \$20 on the ground and  
12 it came from nowhere, or if somebody walks  
13 up and gives me 10 grand. You sold the last  
14 major asset of the city. That's not a  
15 windfall, okay?

16 And the other thing is, that sale  
17 may not even be enough money to satisfy the  
18 money that the pension plan itself needs to  
19 become solvent so how are we debating where  
20 we are going to move this money to and how  
21 we are going to spend it?

22 And, you know, the other question  
23 the residents in this city have to ask  
24 themselves is where is all of this community  
25 development been spent and what has the

1 return on that investment been? And, you  
2 know, if you can't get an answer from your  
3 elected government unelect it. Put people  
4 in there that are going to say no. When  
5 they come and say, "Well, look at, you know,  
6 you got to meet these requirements for the  
7 storm water," say no, and let the state come  
8 in here and force the issue, and then you  
9 ask the state, well, how can we allow the  
10 Sewer Authority to be sold off without a  
11 plan? And how can the city be under Act 47  
12 for 25 years and maybe be in more debt now  
13 than when it started? And how can a city  
14 sell all of it's assets off and have nothing  
15 left? And how long can we listen to a  
16 council get elected and not know what they  
17 are doing. Good questions, aren't they?

18 MR. WECHSLER: Anyone else?

19 MS. SCHUMACHER: Marie Schumacher.  
20 Resident and taxpayer. Last December at the  
21 public hearing on the 2017 budget, I noted,  
22 "When you look at the summary of the  
23 revenues it comes up to roughly \$108 million  
24 dollars, and then there is single sheet for  
25 the summary of expenditures that comes up to

1           \$108 million, and then there is a summary of  
2           several pages by account that totals \$120  
3           million, which is a \$12 million  
4           differential. How did that happen?"

5                         That was my question. I got no  
6           answer from any of you. When I read the  
7           December 31 edition of the Times-Tribune  
8           article stating, "For example, the water  
9           company's \$195 million purchase included  
10          buying all authority assets, one of which  
11          was \$38 million in Authority cash. However,  
12          by the time of the closing, the Authority  
13          didn't have that much cash and the city and  
14          the Borough had to makeup up a \$12 million  
15          difference owed to the water company."

16                         I couldn't help if wonder if that  
17          \$12 million was the same as the differential  
18          that I noted in the budget. After all, at  
19          that time we were told the asset purchase  
20          closing was expected on the 13th of  
21          December, and the public hearing was on the  
22          5th of December, so certainly the shortfall  
23          could have been known and just wasn't  
24          disclosed as the budget would -- so the  
25          budget would be passed.

1 I find this disturbing. The  
2 reduction in proceeds from the Sewer  
3 Authority asset sale should have been  
4 divulged before the vote on the budget. The  
5 administration and council will not regain  
6 credibility for a very long time, if ever.  
7 Adding to the lack of concern for the  
8 taxpayers, at least of those whose  
9 properties are effected by storm water, is  
10 the fact that the entire burden of dealing  
11 with the storm water was raised at the very  
12 first council meeting following the public  
13 hearing on the asset sale that was held at  
14 Marywood University in 2015, and we have yet  
15 to come up with a plan of action. That is  
16 deplorable.

17 Next, I ask that at next week's  
18 council meeting, I guess it would be you,  
19 Mr. Evans, provide us with a detailed report  
20 on the fees and costs associated both with  
21 the Scranton Parking Authority long-term  
22 lease and the Scranton Sewer Authority sale  
23 to include the recipients of those fees and  
24 costs.

25 And then on January 28 of last year

1 on the final reading of Resolution 5, I  
2 said, "7-C, is there anyone on council who  
3 can tell me what specifically is going on or  
4 going to be provided? Muni services says  
5 financial data presentment services?"

6 Mr. Wechsler, you answered, "The  
7 plan is to make as much financial  
8 information available as possible. Do we  
9 have the specifics? No. But it is a start  
10 to get more information out there."

11 It's either been a mighty slow start  
12 or an intentional stall to placate those of  
13 us who are looking for higher quality data  
14 and more transparency as I have yet to see  
15 any financial data presented by Muni  
16 Services in the almost year since they were  
17 awarded the contract, so I'd also like to  
18 know next week when will see a product of  
19 the Muni services contract and what  
20 information will it provide?

21 Also, last year on June there was an  
22 article in the Times that I referenced  
23 before, which said, "If the 50-year-old  
24 Scranton fire station on East Mountain  
25 doesn't get a badly needed roof replacement,

1 Scranton Fire Chief Patrick DeSarno will  
2 shut it down before winter."

3 It is winter, it's not done.

4 MR. WECHSLER: That roof was  
5 replaced two weeks ago. They did repairs on  
6 the roof two weeks ago.

7 MS. SCHUMACHER: Repairs or  
8 replacement.

9 MS. WECHSLER: Repairs.

10 MS. SCHUMACHER: So it would pass  
11 inspection?

12 MR. WECHSLER: Well, it was a  
13 contractor -- I'm sure that the work that  
14 was done --

15 MS. SCHUMACHER: And where was the  
16 money -- what money was used to pay for  
17 that?

18 MR. WECHSLER: I'm not sure.

19 MS. SCHUMACHER: Because at that  
20 time we were told it was going to be from  
21 one of these monetization deals.

22 MR. WECHSLER: I think we actually  
23 passed emergency legislation on that.

24 MR. ROGAN: We did.

25 MS. SCHUMACHER: Thank you.



1 MR. WECHSLER: And it was for Engine  
2 10, I believe, or Engine 9, for repairs.

3 MS. SCHUMACHER: Thank you.

4 MR. WECHSLER: Anyone else?

5 MR. SBARAGLIA: Andy Sbaraglia.  
6 Fellow Scrantonians, I'm not going to get  
7 into finances with the Sewer Authority, I  
8 just want to know that legislation calls for  
9 our sewer bills to go up about 25 percent in  
10 10 years. According to 1.9 for ten years  
11 compounded, so I figure it is going to go up  
12 to somewhere like 25 percent at least.

13 The thing is did they finally get  
14 permission to spread the cost over all of  
15 their system, or is Scranton and Dunmore  
16 going to face the brunt?

17 MR. ROGAN: That has been existing  
18 state law. That was actually the main  
19 premise behind the deal.

20 MR. SBARAGLIA: I realize that, but  
21 I also sense when they come up with the deal  
22 they had reservations and we don't know if  
23 they did that. Do you know exactly that  
24 they have done that?

25 MR. ROGAN: Who had reservations?

1 MR. SBARAGLIA: PUC.

2 MR. ROGAN: The PUC approved the  
3 deal.

4 MR. SBARAGLIA: They approved the  
5 deal, but did they approve to spread the  
6 costs? They somewhere along they said they  
7 were going to look into it later, so that's  
8 important so the city can find out -- make  
9 that sure that it's definite that the cost  
10 is going to be spread over the whole system,  
11 not just -- because when are only talking  
12 about the sewers.

13 MR. EVANS: Right.

14 MR. SBARAGLIA: The sewer only  
15 exists in certain locations, not over the  
16 whole system, so let's find out about that.  
17 You know I never approved of your leasing  
18 off the parking garages, I think that  
19 stranded debt is something like 30 million,  
20 is it \$30 million in stranded debt from the  
21 Parking Authority?

22 MR. EVANS: Yeah, in that ballpark,  
23 yes.

24 MR. SBARAGLIA: How could we keep  
25 saying we are not in parking anymore? I

1 don't believe how the paper can even say  
2 that while we are still paying off stranded  
3 debt.

4 Another thing, if you look into all  
5 of the accounts, the money we lost with this  
6 deal, I told you we lost three or four  
7 million dollars, about \$3 million in fines  
8 and parking meter revenue over 40 years,  
9 that's 120 million. That's gone. We gave  
10 it away. Why do we have to rent out the  
11 space for Mr. Bacavitch (sic). That doesn't  
12 even make sense giving him \$4.1 million to  
13 rent space in his garage and then give him a  
14 retainer of what is it \$300,000 a year for  
15 40 more years, and then selling him the  
16 Globe and the auxiliary parking for \$1 and  
17 then giving him 2 1/2 million to repair it?

18 Don't come before me and say that  
19 was a good deal. It was a good deal if you  
20 are saying Mr. Burkavitch (sic) got a good  
21 deal then I would agree with you, then it  
22 was a good deal, but for the people of  
23 Scranton it wasn't, and the more people hear  
24 about this and understand exactly the  
25 liability we took on, we promised to keep --

1 if some reason, what was it, ADC or  
2 something like to default, we are still  
3 liable for the lease. That means we would  
4 have to maintain the garages again for  
5 another 40 years. If they don't want to --  
6 if you don't want to buy it back from them.  
7 Now, you know all of this. You didn't have  
8 to go into something blind. We are not  
9 stupid in Scranton. If you realize that  
10 most of the people around the country that  
11 are in good paying jobs and heading  
12 corporations came out of Scranton, because  
13 they do have intelligent people in Scranton,  
14 just we don't seem to elect them. Thank  
15 you.

16 MR. DOBRZYN: Good evening, Council.  
17 Dave Dobrzyn, resident and taxpayer. On the  
18 same subject, I'd like to know that all of  
19 the improvements to the sewer system  
20 probably could have been made at a cost of  
21 about \$200 per customer, \$200 a year, and in  
22 view of the fact that we seem to be getting  
23 less and less every time we pick up the  
24 paper why did we do it, I don't know, which  
25 brings us to what's left.

1                   As far as the distressed status, if  
2                   it bars mayors and other entities from where  
3                   borrowing we might as well stay there and  
4                   skip it, because you are not going to get a  
5                   decent interest rate anyway, the federal  
6                   government should be lending us money for  
7                   this, not some bank at 10 percent or 8  
8                   percent, it's just a shame. It's their  
9                   mandate on top of it. So their suggestion  
10                  is to pay down the debt and spend no more.

11                  As far as capital improvements,  
12                  let's skip it. You know, that's it. Skip  
13                  it. We don't need it. Especially if it's  
14                  going to be on borrowing or on money we  
15                  don't have or could have spent on something  
16                  sensible instead of equipment that won't run  
17                  after a year like pothole patchers or  
18                  whatever, it just doesn't add up.

19                  Now, I'd like to bring on the trash  
20                  that came up again, and I don't want to call  
21                  people names and stuff, I don't even  
22                  complain about my trash bill because I know  
23                  what it weighs with a couple of pet kitty  
24                  cats and, you know, the litter gets heavy,  
25                  but the point being that if we ever do go to

1 a per bag it's going to have to be a basic  
2 fee and that's to pay for the crew and the  
3 trucks to show up, and then after that if  
4 somebody wants to consider this a savings,  
5 you know, that's the way it is.

6 I seen an interesting article in the  
7 paper the other day and, you know, we have  
8 been complaining about tax exempts forever,  
9 "White nationalist okayed as a tax exempt  
10 charity," and the last paragraph, "Some tax  
11 experts said the IRS is still feeling the  
12 sting from conservative critics over the  
13 2013 concession that it unfairly gave extra  
14 scrutiny to a tea party group seeking tax  
15 exemptions. Crossroads, tax exempt."

16 Now, why are we granting all of tax  
17 exempts when we have them loaded up in this  
18 town, too. It's time we start to review  
19 them and it's time they start to pay their  
20 fair share. You could have any opinion you  
21 want, go to any church you want, you can go  
22 to the church of the devil if you want, but  
23 you can't have a political agenda if you  
24 want unless you want to pay taxes. It's  
25 about time, we are at 35 percent, and if you

1           consider the trouble the school district is  
2           in and the trouble you people are in every  
3           year you could tax those entities and it  
4           would fill the hole in the budget and their  
5           would be money left over. So don't call on  
6           me, I already paid my bill hopefully, it  
7           won't get any bigger.

8                         And somebody showed up about at the  
9           last meeting and made a speech about America  
10          love it or leave it. Well, you know, that's  
11          to me doesn't add up. A lot of people are  
12          born here and, you know, unless you an  
13          undocumented alien or something and a  
14          criminal on top of it, I don't even know how  
15          we get rid of the people that are here now  
16          because 11 million people it would be  
17          impossible and most of the hotel and luxury  
18          businesses wouldn't like it anyway, they  
19          would have to pay for the change but the  
20          point is America love it or leave it, well,  
21          if you feel that way why don't you come and  
22          try to put somebody out. Thank you and have  
23          a good night.

24                       MR. WECHSLER: Anyone else?

25                       MS. GAUGHAN: Good evening. Mary

1 Gaughan from Adams Avenue in Scranton.  
2 Happy New Year to everyone. I am still  
3 watching the traffic in the City of Scranton  
4 and I'm seeing too many motorists not paying  
5 any attention to lights, signs, or when you  
6 press the button on the light standard  
7 people seem to not understand that the  
8 numbers mean something. They don't even try  
9 to run over you, so I just want to share  
10 that I hope that people will consider others  
11 when they are driving, but I did see a  
12 bumper sticker that I think might be  
13 appropriate for people to think about, it  
14 said, "LOL equals OMG equals RIP."

15 My interpretation of that one is  
16 texting lot of love to someone and then says  
17 Oh, my God, because they are about to hit  
18 someone or something, and RIP means no  
19 explanation, rest in piece.

20 I also take note of the fact on  
21 Lackawanna Avenue near the Novo Rehab there  
22 is a pedestrian crosswalk. There have been  
23 improvements to it by placing a sign, but it  
24 doesn't seem to register with motorists at  
25 all. I would like to suggest that perhaps



1           there would be a blinking light because  
2           motorists don't seem to care. I witnessed  
3           almost three people get killed in the last  
4           two months and it was because of excessive  
5           speeding, because of the texting, because of  
6           the people on their phones. California  
7           passed legislation if you even pick up your  
8           phone when you are in the vehicle you are  
9           subject to arrest.

10                         And I also spoke recently with  
11           Council President Wechsler about the number  
12           of streetlights out in the city. I made a  
13           little map and after your meeting I will  
14           give it to Lori or Councilman Wechsler, but  
15           I would hope that people take note of the  
16           fact that it is the winter and they need to  
17           slow down and we need a little more light on  
18           the city. Thank you.

19                         MR. WECHSLER: Anybody else?

20                         MS. REED: FIFTH ORDER. 5-A.

21           MOTIONS.

22                         MR. WECHSLER: Mr. Perry?

23                         MR. PERRY: Yes, I have a couple of  
24           things. First thing is, I was contacted by  
25           the Head Start transportation manager over

1 the break, Gerard McDonough. He is  
2 requesting a traffic study to be performed  
3 on Madison Avenue on the 600 block, and his  
4 request revolves around pickup and drop off,  
5 some special needs students, and there is no  
6 safe place for the bus to pull over. There  
7 is a driveway that they used to try and  
8 drive into, but it's just way too dangerous  
9 for the bus to back out onto such a narrow  
10 street, especially when it's busy in the  
11 morning and the afternoon commute time, so  
12 if we can send something out to the police  
13 department and the engineer's office to have  
14 a traffic study done to see if we can maybe  
15 have a no parking ordinance for a set pick  
16 up time and a set drop off time. That way  
17 the special needs students that need to be  
18 escorted onto and off the bus have adequate  
19 time and safety as well as the motorists  
20 that are traveling in this busy times.

21 Secondly, I want to send a thank you  
22 to the County Commissioners for taking a  
23 hard look and rethinking the appraisal  
24 appeal process legislation that they were  
25 looking at a couple of weeks ago. I was

1 very happy to see them put that on hold and  
2 hopefully that's a permanent hold. I just  
3 believe it wasn't the correct way to attack  
4 a problem that existed in the county, so I  
5 was happy to see that.

6 We had a speaker here from West Side  
7 from the Keyser Valley area who mentioned  
8 he's still having some issues with some  
9 drainage pipes, and I know myself and  
10 Councilman Wechsler and Councilman Gaughan  
11 we had some discussion with him. I want to  
12 get him some more formal answers because  
13 this -- it's been going on too long. I want  
14 to know what the reason we can't get that  
15 drainage pipe totally cleared out for him.  
16 If it's an equipment problem, if is it,  
17 let's get the equipment, let's get it done.

18 Councilman Wechsler also added that  
19 there is two pumps added on Merrifield  
20 Avenue. So I will be contacting DPW and I  
21 just want to see what these two new pumps,  
22 what are they going to accomplish? Was an  
23 investigation done? How much water are they  
24 going to do? What kind of upgrade is it  
25 from what was already there? I just want to

1 see if we can get some people there some  
2 relief because there is a legitimate problem  
3 in that valley that needs to be addressed.

4 And, lastly, the sewer sale went  
5 through. I was -- to say I was surprised  
6 would be accurate. We went through this  
7 process, like all of the rest of us went  
8 through, and when I saw the Scranton take of  
9 it was far less than what was anticipated I  
10 was -- I was surprised. I was shocked. I  
11 understand why, the reason why the water  
12 company is going to purchase the \$38 million  
13 cash that the Sewer Authority had on hand,  
14 they didn't have that on hand so obviously  
15 the purchase price goes down, the price that  
16 we are going to get isn't going to be as.  
17 Again, I understand that, I think all of us  
18 understand that. What I don't understand is  
19 why did it have to take until it became  
20 public knowledge for the council, or at  
21 least personally for me, to become aware of  
22 that?

23 Would that have changed my vote on  
24 the deal? Probably not, but I just feel  
25 like that information should have been



1 believe was touched on, that's probably  
2 going to be the one issue which is going to  
3 be suffer the most based on the money just  
4 not going to go as far as it's going to need  
5 to be.

6 But, again, I wasn't very happy with  
7 how that went down. When you're expecting  
8 something for so long and the last second it  
9 just didn't sit right with me so I'm hoping  
10 that we can get into this. I would expect  
11 to have a work session very soon based on  
12 the money and how we are going to spend it.  
13 I would guess, and I don't want to talk out  
14 of school, but that would be probably the  
15 best way for the administration and the  
16 council to sit down and talk and get our  
17 ideas. I know the administration has been  
18 running some models on where they feel the  
19 best usage is but, I know, you know, they  
20 are going to bring us into it and discuss  
21 it.

22 So with that being said, I'm looking  
23 forward to tackling the storm water  
24 management once and for all, which is  
25 definitely here, it's definitely here like

1 we knew it was coming, and tackling  
2 everything else that we have. That's all I  
3 have right now.

4 MR. WECHSLER: Thank you, Mr. Perry.  
5 Mr. Rogan?

6 MR. ROGAN: Yes, a number of items.  
7 First, I'd like to wish everyone a Happy New  
8 Year. It's nice to be back here another  
9 year. Some news that happened over the  
10 course of our two weeks, first a bit of good  
11 news. First, I'd like to congratulate  
12 Charlie Jefferson, who has been an excellent  
13 developer in the downtown for his purchase  
14 of the Samter's building. I'm confident he  
15 will do an excellent job with this project.  
16 His projects have all be grade A and they  
17 have been so successful there have been  
18 waiting lists for people to get into his  
19 properties, so I'm sure he will do an  
20 excellent job with that building and I'm  
21 looking forward to see what he does.

22 Secondly, over -- we have had a  
23 stack of invoices here, not invoices, memos  
24 from Ten Efficiency Network regarding the  
25 upgrades to the city streetlights. Most of





1 decision on increasing the fees to appeal  
2 your tax assessment as well as publishing  
3 those names in an online database. I'm glad  
4 that they changed their mind on this, and I  
5 think it just further highlights the need  
6 for a true countywide reassessment which  
7 hasn't been done in over 40 years, and the  
8 assessments are all over the maps and that's  
9 why there are so many appeals, so I'm  
10 hopeful that that's something the  
11 commissioners will look to do moving forward  
12 in this year.

13 Briefly on the Sewer Authority,  
14 Mr. Perry pretty much -- this is the  
15 disadvantage of sometimes speaking after  
16 somebody you agree with quite a bit.

17 MR. PERRY: Well, you did talk about  
18 Ten. I was going to speak on that, too, so  
19 you got that one in.

20 MR. ROGAN: Again, I have the same  
21 thoughts, none of us knew that the cash  
22 reserves in the Sewer Authority were drawn  
23 down as significantly as they were. One  
24 question, I know there will be number of  
25 items being asked, one thing I would like to

1 look into is regarding that drawdown of the  
2 cash, what was the amount of the overtime  
3 that was used during the time period from  
4 when the sale was announced until the sale  
5 was finalized with employees comparable to  
6 the previous year, and also I'd like to see  
7 invoices comparing year-over-year  
8 expenditures during that time. Obviously,  
9 that's something that should have been  
10 projected out for this money to be drawn  
11 down. You know, the sale was announced  
12 probably about a year ago at this point.  
13 Obviously, if the Sewer Authority was  
14 running a deficit those cash reserves would  
15 be drawn down.

16 Next, as I mentioned, since it is a  
17 new year there are a number of items that --  
18 six of them actually that I would like to  
19 outline that are personal goals and items  
20 that I think need to go to the top of the  
21 agenda for the course of 2017, and these  
22 would be my top six items I think we need to  
23 work on.

24 First would be shoring up the  
25 pension funds, adding transparency to the

1 pension process to avoid issues like that  
2 double pension scandal that really rocked  
3 the city a couple of years ago. I'll have  
4 much more to say on this in the coming  
5 weeks. I have been working on quite a  
6 number of items as far as some changes to  
7 law as well as some other items outside of  
8 that that I will elaborate on as weeks  
9 continue.

10 The second item is to continue to  
11 invest in infrastructure and road paving,  
12 our police and fire departments, and storm  
13 water improvements throughout the city. I  
14 think we have, especially on the road paving  
15 part, we have come a long way but the roads  
16 in this city have been in disrepair for as  
17 long as -- I think as long I've been alive.  
18 A lot of work has been done, but there is  
19 many, more roads to be paved.

20 Third would be, and this was brought  
21 up a little bit tonight, is make the garbage  
22 fee more fair. Since the first day on sat  
23 on this seat I always felt the current  
24 garbage fee system in the City of Scranton  
25 is entirely unfair, that a senior citizen

1 with one bag of garbage pays the exact same  
2 fee as a family of 12 with 15 bags of  
3 garbage. There needs to be either a hybrid  
4 system based on use. Actually, the way the  
5 sewer bills are billed is pretty much a good  
6 model. They do have a base fee that  
7 everyone pays, and then the rest is based on  
8 your usage. So we need to do something to  
9 make that fee more fair because it's  
10 certainly not fair to the senior citizens  
11 and those who live alone in the city.

12 The fourth would be to reduce and  
13 refinance high interest debt. As Mr. Perry  
14 mentioned, this was one of my top priorities  
15 regarding the use of the pension with the  
16 use of the Sewer Authority funds. I have  
17 been saying for years there is a number of  
18 borrowing items that this city initiated  
19 over the last ten years that have dedicated  
20 taxes assigned to them, so as soon as those  
21 debts are paid off those taxes go away. So  
22 by paying off \$10million in debt that has  
23 dedicated millage you will see a tax  
24 reduction in your real estate taxes.

25 Next would be regarding -- again,

1           regarding the budget, a 2018 budget that  
2           reduces taxes for seniors and working  
3           Scrantonians for the first time in ages. We  
4           were able to hold the line on real estate  
5           taxes this year, and I know Councilman  
6           Evans, I won't steal your thunder, has some  
7           more good news regarding some of the taxes  
8           shortly, but again, we need to work to grow  
9           the city. That's the only way we are going  
10          to continue the progress that we have made.

11                        And, finally, and most importantly,  
12          after two plus decades of Scranton being in  
13          Act 47 distressed status, I truly believe  
14          that within the next year Scranton can  
15          finally leave Act 47 distressed status and  
16          begin to grow and become the city that we  
17          once were.

18                        I will have some comments on some  
19          agenda items, but that is all for now.

20          Thank you.

21                        MR. WECHSLER: Thank you.

22          Mr. Evans?

23                        MR. EVANS: Thank you. Like all of  
24          us, I was certainly more than disappointed  
25          to find that we received \$12 million or less

1 than anticipated in the SSA transaction so I  
2 will call on the administration and  
3 consultants, anyone else that would be privy  
4 to more information, to give us a  
5 comprehensive accounting of where that money  
6 was spent between the time of the agreement  
7 and the time of the sale.

8 With that I said, if someone told me  
9 at the beginning of the process that we  
10 could have expected approximately \$84  
11 million I would have still signed onto this  
12 deal. This transaction still brings with it  
13 lower increases in sewer rates guaranteed  
14 for the next ten years. This transaction  
15 will allow for the elimination and reduction  
16 of high interest debt, a top priority for  
17 all of us. This transaction provides relief  
18 to the severely distressed pensions, but  
19 only have additional reforms and guarantees  
20 are put in place. This transaction should  
21 also allow for startup costs for storm water  
22 management and a strategy that's long  
23 overdue, and possibly some money for capital  
24 improvements.

25 A core belief of mine is that in

1           most cases the private sector will always  
2           outperform the public sector. I believe and  
3           I'm confident that over time it will become  
4           even more obvious because of this  
5           transaction, but as of today, you know, it's  
6           interesting to hear a lot of comments about  
7           this deal, but I have not heard one comment  
8           that offered a real solution or an  
9           alternative to this deal and bankruptcy and  
10          receivership is not an option, at least not  
11          in my book.

12                        This transaction was a key part of  
13          the recovery plan and when I joined city  
14          council I said I would support the recovery  
15          plan and I have voted nearly -- not nearly,  
16          I are voted 100 percent for the plan. When  
17          I have hard choices, I chose the plan,  
18          sometimes in disagreement with the mayor and  
19          sometimes even with my colleagues.

20                        But one final comment, this  
21          transaction is not the end of the story. In  
22          order for this city government to be  
23          successful beyond this point, we must begin  
24          to fully reinvent the way it governs. There  
25          must be a full commitment to efficiency of

1 services, restructuring of departments,  
2 entrepreneurial leadership, and dramatic and  
3 innovative change. It can be viewed as that  
4 simple and as that difficult, but we must  
5 move forward with a new vision, a  
6 post-recovery vision. That's all I have for  
7 now. Thank you.

8 MR. WECHSLER: Thank you, Mr. Evans.  
9 Mr. Gaughan?

10 MR. GAUGHAN: Yes, thank you. I  
11 with like to welcome everyone back. I hope  
12 everyone had a Merry Christmas and a healthy  
13 and Happy New Year. I am pleased to get  
14 news from the residents on Phelps Street  
15 that a new light was installed on their  
16 block and they are very happy with it, so  
17 I'd like to thank everybody who was involved  
18 in getting that up and running.

19 I would like to send a second  
20 request to our DPW and our city forester  
21 about dangerous trees that are located on  
22 Wintermantle Avenue on East Mountain.  
23 Residents are concerned that someone is  
24 going to get hurt and some of trees are dead  
25 and need to be removed.



1 I did get very disappointing news  
2 from James May and PennDOT. I had been  
3 asking for an update on the Rockwell Avenue  
4 bridge project and the date for completion  
5 now has been moved back to July 1, so  
6 tentative completion date for the Rockwell  
7 Avenue bridge will be July 1. It could be  
8 sooner, but that's the date that they are  
9 going with. This possess, obviously,  
10 numerous problems, one of which is, and I  
11 have talked with the administration about  
12 this numerous times, very dangerous  
13 conditions that are occurring on Mary Street  
14 in North Scranton. A lot of the people from  
15 that area of the city use Mary Street to get  
16 out onto West Market Street. The traffic is  
17 very hazardous and someone is going to get  
18 seriously injured, especially pedestrians  
19 from the housing project there that use that  
20 road to walk to get out onto West Market  
21 Street. So I would request that we send  
22 something to the Chief of Police and our  
23 city engineer making them again aware of  
24 this problem and trying to come up with some  
25 sort of solution because, again, I am very

1 concerned that someone is going to get hurt  
2 on that street.

3 Just an update on council's move to  
4 paperless meeting, which was initiated last  
5 year, we should be running this program by  
6 the end of the month. All of the trainings  
7 have been completed, and we have the  
8 equipment in hand, we are just waiting to --  
9 we are going to be trained now, the council,  
10 and then we should have everything up and  
11 running by the end of the month so that is  
12 good news.

13 Regarding the sale of the Scranton  
14 Sewer Authority, again, I mentioned this in  
15 the newspaper, and like my colleagues I was,  
16 too, very shocked that we are going to  
17 receiving \$30 million less from the sale of  
18 the sewer authority than we had originally  
19 anticipated. Mayor Courtright and his  
20 administration have been touting to the  
21 public and to this council that the city  
22 would receive roughly \$96 million from the  
23 sale for the better part of the last year.  
24 To find out through the newspaper after the  
25 closing that we would be receiving \$30

1 million less is unbelievable. I am deeply  
2 concerned that this council was not  
3 presented this information before we voted  
4 to dissolve the Scranton Sewer Authority.  
5 How are you supposed to make a major  
6 decision without these crucial pieces of  
7 information? And if you remember it's why I  
8 asked for that piece of legislation to be  
9 tabled. The Sewer Authority and the city  
10 had come out in the newspaper and said that  
11 the closing had been delayed. Obviously,  
12 something was going on. We should have  
13 tabled it and postponed it and found out  
14 what exactly the issues were. Obviously, we  
15 waited until after the sale had closed to  
16 find out that we were \$30 million short.

17 My colleagues voted on dissolving  
18 the Authority with wildly inaccurate  
19 information, and I find it amazing that now  
20 all of a sudden people are concerned. Where  
21 was everyone three weeks ago when I was  
22 bringing up these issues? We should have  
23 been aware of what was going on and we were  
24 left in the dark by the mayor and his  
25 administration.

1                   Now, I would like to know when Mayor  
2 Courtright knew the city's share of the  
3 proceeds would be \$30 million less? Did the  
4 mayor intentionally withhold these critical  
5 pieces of information from this council, and  
6 if so, at what point did he decide that this  
7 would be a good idea. I find it very hard  
8 to believe that the mayor would have found  
9 out we would be short 30 million the day of  
10 the closing. I find that very, very hard to  
11 believe.

12                   Mayor Courtright has mislead this  
13 council, mislead the taxpayers, and mislead  
14 the ratepayers of Scranton. The mayor  
15 issued a press release after the closing  
16 last week and then wouldn't answer anybody's  
17 questions about the sale, which again, to me  
18 begs the question who is actually running  
19 this city? Is it the mayor or is it the  
20 lineup of attorneys and advisors that we  
21 have who may stand to make a small fortune  
22 off of these deals?

23                   Now, council received information  
24 yesterday from the administration regarding  
25 the cost of this deal, but they are no

1 different from what I can tell than what we  
2 read in the paper and what was reported to  
3 the paper. So I would like to know the  
4 following information by next week:

5 Number one, I would like to know how  
6 much was expended on legal and consultant  
7 fees in connection with this transaction,  
8 and I would like a detailed breakdown of  
9 that. I would like to know if any of the  
10 legal fees and consulting fees came out of  
11 the \$12 million shortfall in the Scranton  
12 Sewer Authority cash reserves?

13 I would like a break down of how the  
14 \$12 million shortfall and Scranton Sewer  
15 Authority's cash reserves was spent over the  
16 last year. If it was spent on capital  
17 projects, what were they. So, again, a  
18 detailed breakdown on that by next week.

19 Also, Councilman Wechsler informed  
20 us that information about the deal came from  
21 HJ Strategies, which is the City's financial  
22 advisor, so I would like to know who was  
23 paying HJ Strategies and Mr. Amoroso. I  
24 would like a detailed breakdown of payments  
25 made to him over the last three years and

1 any contract that he is under. I have asked  
2 for this before and have not received the  
3 information, and the reason that I asked is  
4 because if Mr. Amoroso and HJ Strategies are  
5 acting in an official capacity as the  
6 financial advisor, we should know whose  
7 paying them.

8 Ladies and gentlemen, the bottom  
9 line in all of this, in my opinion, is that  
10 the mayor has sold you, the taxpayers and  
11 ratepayers of this city, down the toilet  
12 with this deal. Mayor Courtright has sold  
13 off our last asset for \$30 million less than  
14 that he had been touting all year, and it  
15 took the newspaper to let this council know  
16 in the 11th which, quite frankly, is  
17 disgraceful.

18 How is this a good deal, if someone  
19 could explain that to me? We now have no  
20 asset. We have no clue about storm water  
21 management, which is potentially going to  
22 cost the city millions of dollars which, by  
23 the way, will probably further devalue the  
24 sale of the authority, and also keep in mind  
25 when we talk about how long the storm water

1 management analysis is going to take,  
2 probably over a year. And why was this  
3 delayed, if you go back to last year because  
4 the mayor decided to tack on raises for key  
5 employees in the Act 47 grant so that  
6 knocked off about two or three weeks from  
7 when the analysis was supposed to be sent  
8 out. Bottom line is Mayor Courtright has  
9 left the taxpayers and ratepayers holding  
10 the bag once again. Thank you.

11 MR. WECHSLER: Thank you, Mr.  
12 Gaughan. In our conversations with the  
13 administration about how this deal went  
14 down, there are a couple of things that have  
15 to be remembered, the Scranton Sewer  
16 Authority actually initiated the sale, not  
17 the City of Scranton. The Sewer Authority  
18 went out and sought offers for a lease  
19 agreement for a management team to come in  
20 and run the Sewer Authority so a lot of the  
21 assessments and/or estimates that were made  
22 came in prior to the City of Scranton even  
23 being involved in this, and when I say the  
24 City of Scranton I think we have to be very  
25 careful because a lot of this is the Sewer

1 Authority, not the City of Scranton.

2 Some of assumptions that were made,  
3 once again, were based on the lease, a lease  
4 agreement that had failed to the past, and  
5 that is when it was decided that the sale  
6 would be better for the city. One of the  
7 issues that was looked at is in order to do  
8 all of the repairs and upkeep if it was  
9 under the lease agreement the average  
10 increase for ratepayers each year would be  
11 4.5 percent over a 40-year period. So  
12 that's -- right now we are at 1.5 percent.

13 From the way I understand it is some  
14 of assumptions under the lease paid to  
15 recognize the cost of the easement issue.  
16 Of the things that I'm most disappointed in,  
17 which is going take up probably about \$12  
18 million of the sale is how the easements  
19 were handled. The easement issue came up  
20 really last minute. I don't think it was  
21 announced to the public properly and I don't  
22 think it was handled properly and that's why  
23 we have to sign this \$12 million escrow  
24 account for the easements and I think that's  
25 a major problem with this.





1           that the \$38 million in cash that was there  
2           some of that money went towards continuing  
3           the repairs as part of the federal mandate  
4           that we make them, so I'm sharing the same  
5           concerns as my colleagues in finding out  
6           these answers. I think we are going to have  
7           be very aggressive in finding them out  
8           because I don't think they are going to come  
9           from the administration. I think the  
10          information may be have to be requested  
11          through the administration, but I think the  
12          information actually lies with the Sewer  
13          Authority, and when I say Sewer Authority, I  
14          don't even know exactly where we are at with  
15          that because we terminated it.

16                 I would have liked to see this  
17          information prior to the vote last year. It  
18          wasn't available to us, and only for the  
19          reason being is I would have liked these  
20          comments by the public to be made prior --  
21          and by my colleagues to be made prior to the  
22          final vote on the sale. As Councilman Perry  
23          said, we probably still would have voted for  
24          it, it is our only alternative for a huge  
25          influx of cash into our system, and as was

1           talked, it's not a windfall. It's not a  
2           windfall. It's something that we already  
3           owned. My vote probably would have been --  
4           I voted "no" against it because I didn't see  
5           this, but I was in favor of the sale itself,  
6           but I would have liked to have public  
7           comment and colleague comment prior to the  
8           final sale.

9                     And we will be -- we are sending a  
10           list of questions that are presented  
11           tonight, and we will put them together and  
12           get those to the administration.

13                    MR. EVANS: President Wechsler, if I  
14           could, I don't like to interrupt you during  
15           your motions, but if I could make one point  
16           of clarification, the \$30 million that we  
17           are talking about, the \$18 million of that  
18           is being put into an escrow account and we  
19           had conversations about escrow, money being  
20           escrowed, I think that's money that we all  
21           expected and we all knew was going to  
22           happen. Would we expected it to be at that  
23           level? Probably not, but that's how  
24           negotiations work, so I just want to clarify  
25           that the \$30 million dollars 18 is in

1 escrow, hopefully, more than hopefully, most  
2 of that money will come back to us.

3 MR. WECHSLER: Right, and part of  
4 the reason why we wanted to put the money in  
5 escrow for the easements was we didn't want  
6 to be controlled by a third party who of  
7 would just willy-nilly give up that money.  
8 We want to be able to control those easement  
9 payments that they are acceptable to both  
10 the property owners and also to the city.

11 One issue that council has been  
12 talking about for the last year or so is the  
13 frustrating situation that Mr. Young is  
14 dealing with. Over the holiday weekend,  
15 over the holidays, the hole at Mr. Young's  
16 property opened up even more and Mr. Young  
17 graciously allowed the city DPW to go on his  
18 property and put plywood over the top of the  
19 hole, and also the city was gracious enough  
20 to go and do that because the litigation  
21 involving the final repair between Mr. Young  
22 and the city is still ongoing, so we had a  
23 truce long enough to give repairs -- not  
24 repairs, but to safeguard that hole on  
25 Mr. Young's property.

1 I'm not sure how many people are  
2 able to do it this year, but the holiday  
3 light show at the Nay Aug Park I think it  
4 was a great success. My wife and I went up  
5 there and froze one night. We picked the  
6 coldest night so we were chickens, we just  
7 made it about an hour and then we left, but  
8 from speaking to Brian Fallon, who headed up  
9 that and the Recreation Authority I wanted  
10 to congratulate them on their efforts for  
11 another great year up there. There was a  
12 significant amount of contributions that  
13 came in. Mr. Fallon is working on getting  
14 the information on the total that was  
15 received, and the thing to remember with  
16 those light show donations is that they go  
17 back into the Recreation Authority and they  
18 are used for upkeep at Nay Aug and they are  
19 also used for improvements to the light  
20 show, and I know people have traveled far  
21 and wide it see the show and we had another  
22 great year with that.

23 Echoing Mr. Rogan's comments about  
24 the lighting, from the comments that I have  
25 seen there is a lot of happiness and

1 contentment with what's happening down  
2 there. As Pat said, as we working with this  
3 we did ask the company to make sure that we  
4 could control those lights and make  
5 improvements as required. They are  
6 proceeding with the controlling system that  
7 I think works from one central area, so the  
8 way it was explained to us is we won't have  
9 to change those lights for 30 years, that's  
10 what they tell us, we will see what happens.

11 But overall, between the paving and  
12 the improvements to the lights these are  
13 real improvements to the neighborhoods. We  
14 hear a lot of talk that the administration  
15 and council do not do anything for the  
16 neighborhoods, but I would cite the paving  
17 program this year and also the new lighting  
18 in the neighborhoods that has a direct  
19 improvements to the neighborhoods, so I'm  
20 very happy with that. That's all I have  
21 tonight.

22 MR. GAUGHAN: Can I make one  
23 additional comment? Just on the Young  
24 property, I have been sick for the past week  
25 so I wasn't able to have a conversation with

1 the Youngs, but I'm glad to hear that the  
2 DPW was able to get out there and put  
3 plywood over the hole. Again, I am  
4 concerned that the hole continues to get  
5 bigger and this, quite frankly, is so  
6 embarrassing for this city and this  
7 administration that this problem should have  
8 been taken care of this past summer. We had  
9 the money in place. We deemed it was an  
10 emergency and now the Youngs are relegated  
11 to suing the city, getting an attorney, and  
12 they have to have the DPW actually come out  
13 on their property and put plywood over the  
14 hole. So shame on this administration for  
15 allowing it to get to this point and God  
16 help them if anybody gets hurt on this  
17 property or if this hole should get so big  
18 that it causes damage to their home. Thank  
19 you.

20 MR. WECHSLER: Yeah, I would like to  
21 see something done permanently up there,  
22 also, but, unfortunately, it's in the Courts  
23 now, and really unless we have a situation  
24 where we are able to get onto the property  
25 there is nothing that we can do right now.

1 So hopefully between Mr. Young's attorney  
2 and the City's attorney we can come to some  
3 type of arrangement that we can start  
4 getting this done before something further  
5 happens.

6 And I'm glad you stopped me because  
7 I forgot two things. This is a very  
8 interesting announcement that we received  
9 tonight about Electric City TV. Effective  
10 January 2017, Scranton City Council meetings  
11 and other select city programs will be  
12 available on Electric City Television's  
13 YouTube page. Also in 2017, we are working  
14 on having a daily programming available for  
15 live internet streaming. Stay tuned for new  
16 features, so very happy to hear that as  
17 well, more transparency for people to be  
18 able to access information about the city  
19 council meetings. Thank you.

20 MS. REED: 5-B. FOR INTRODUCTION -  
21 AN ORDINANCE - AMENDING FILE OF THE COUNCIL  
22 NO. 6, 1976 ENTITLED "AN ORDINANCE (AS  
23 AMENDED) IMPOSING A TAX FOR GENERAL REVENUE  
24 PURPOSES ON THE TRANSFER OF REAL PROPERTY  
25 SITUATE WITHIN THE CITY OF SCRANTON;



1           PRESCRIBING AND REGULATING THE METHOD OF  
2           EVIDENCING THE PAYMENT OF SUCH TAX;  
3           CONFERRING POWERS AND IMPOSING DUTIES UPON  
4           CERTAIN PERSONS, AND PROVIDING PENALTIES",  
5           BY IMPOSING THE RATE OF THE REALTY TRANSFER  
6           TAX AT TWO AND NINE TENTHS PERCENT (2.9%)  
7           FOR CALENDAR YEAR 2017 AND THE SAME SHALL  
8           REMAIN IN FULL FORCE AND EFFECT ANNUALLY  
9           THEREAFTER. (EMERGENCY CERTIFICATE ATTACHED)

10                   MR. EVANS: I would to make a motion  
11                   to amend Item 5-B by imposing the rate of  
12                   the realty transfer tax at two and four  
13                   tenths percent.

14                   MR. ROGAN: Second.

15                   MR. WECHSLER: On the question? All  
16                   those in favor signify by saying aye.

17                   MR. PERRY: Aye.

18                   MR. ROGAN: Aye.

19                   MR. EVANS: Aye.

20                   MR. GAUGHAN: Aye.

21                   MR. WECHSLER: Aye. Opposed? The  
22                   eyes have it and so moved.

23                   At this time, I'll entertain a  
24                   motion that Item 5-B, as amended, be  
25                   introduced into its proper committee.

1 MR. ROGAN: So moved.

2 MR. EVANS: Second.

3 MR. WECHSLER: On the question? All  
4 those in favor of introduction signify by  
5 saying aye.

6 MR. PERRY: Aye.

7 MR. ROGAN: Aye.

8 MR. EVANS: Aye.

9 MR. GAUGHAN: Aye.

10 MR. WECHSLER: Aye. Opposed? The  
11 ayes have it and so moved.

12 MS. REED: 5-C. FOR INTRODUCTION -  
13 AN ORDINANCE - AMENDING FILE OF THE COUNCIL  
14 NO. 7, 1976, ENTITLED "AN ORDINANCE (AS  
15 AMENDED) IMPOSING A MERCANTILE LICENSE TAX  
16 OF 2 MILLS FOR THE YEAR 1976 AND ANNUALLY  
17 THEREAFTER UPON PERSONS ENGAGING IN CERTAIN  
18 OCCUPATIONS AND BUSINESSES THEREIN;  
19 PROVIDING FOR ITS LEVY AND COLLECTION AND  
20 FOR THE ISSUANCE OF MERCANTILE LICENSES;  
21 CONFERRING AND IMPOSING POWERS AND DUTIES  
22 UPON THE TAX COLLECTOR OF THE CITY OF  
23 SCRANTON; AND IMPOSING PENALTIES", BY  
24 IMPOSING THE MERCANTILE LICENSE TAX AT ONE  
25 (1) MILL (.001) FOR CALENDAR YEAR 2017 AND

1 THE SAME SHALL REMAIN IN FULL FORCE AND  
2 EFFECT ANNUALLY THEREAFTER. (EMERGENCY  
3 CERTIFICATE ATTACHED).

4 MR. WECHSLER: At this time, I'll  
5 entertain a motion that Item 5-C be  
6 introduced into its proper committee.

7 MR. ROGAN: So moved.

8 MR. EVANS: Second.

9 MR. WECHSLER: On the question? All  
10 those in favor of introduction signify by  
11 saying aye.

12 MR. PERRY: Aye.

13 MR. ROGAN: Aye.

14 MR. EVANS: Aye.

15 MR. GAUGHAN: Aye.

16 MR. WECHSLER: Aye. Opposed? The  
17 ayes have it and so moved.

18 MS. REED: 5-D. FOR INTRODUCTION -  
19 AN ORDINANCE - AMENDING FILE OF THE COUNCIL  
20 NO. 8, 1976, ENTITLED "AN ORDINANCE (AS  
21 AMENDED) PROVIDING FOR THE GENERAL REVENUE  
22 BY IMPOSING A TAX AT THE RATE OF TWO (2)  
23 MILLS UPON THE PRIVILEGE OF OPERATING OR  
24 CONDUCTING BUSINESS IN THE CITY OF SCRANTON  
25 AS MEASURED BY THE GROSS RECEIPTS THEREFROM;

1           REQUIRING REGISTRATION AND PAYMENT OF THE  
2           TAX AS CONDITION TO THE CONDUCTING OF SUCH  
3           BUSINESS; PROVIDING FOR THE LEVY AND  
4           COLLECTION OF SUCH TAX; PRESCRIBING SUCH  
5           REQUIREMENTS FOR RETURNS AND RECORDS;  
6           CONFERRING POWERS AND DUTIES UPON THE TAX  
7           COLLECTOR; AND IMPOSING PENALTIES", BY  
8           IMPOSING THE BUSINESS PRIVILEGE TAX AT THE  
9           RATE OF ONE (1) MILL (.001) FOR CALENDAR  
10          YEAR 2017 AND THE SAME SHALL REMAIN IN FULL  
11          FORCE AND EFFECT ANNUALLY THEREAFTER.  
12          (EMERGENCY CERTIFICATE ATTACHED).

13                   MR. WECHSLER: At this time, I'll  
14                   entertain a motion that Item 5-D be  
15                   introduced into its proper committee.

16                   MR. ROGAN: So moved.

17                   MR. EVANS: Second.

18                   MR. WECHSLER: On the question? All  
19                   those in favor of introduction signify by  
20                   saying aye.

21                   MR. PERRY: Aye.

22                   MR. ROGAN: Aye.

23                   MR. EVANS: Aye.

24                   MR. GAUGHAN: Aye.

25                   MR. WECHSLER: Aye. Opposed? The

1           ayes have it and so moved.

2                   MS. REED: 5-E. FOR INTRODUCTION -  
3           AN ORDINANCE - AMENDING FILE OF THE COUNCIL  
4           NO. 11, 1976, ENTITLED "AN ORDINANCE (AS  
5           AMENDED) ENACTING, IMPOSING A TAX FOR  
6           GENERAL REVENUE PURPOSES IN THE AMOUNT OF  
7           TWO PERCENT (2%) ON EARNED INCOME AND NET  
8           PROFITS ON PERSONS, INDIVIDUALS,  
9           ASSOCIATIONS AND BUSINESSES WHO ARE  
10          RESIDENTS OF THE CITY OF SCRANTON, OR  
11          NON-RESIDENTS OF THE CITY OF SCRANTON, FOR  
12          WORK DONE, SERVICES PERFORMED OR BUSINESS  
13          CONDUCTED WITHIN THE CITY OF SCRANTON,  
14          REQUIRING THE FILING OF RETURNS BY TAXPAYERS  
15          SUBJECT TO THE TAX; REQUIRING EMPLOYERS TO  
16          COLLECT THE TAX AT SOURCE; PROVIDING FOR THE  
17          ADMINISTRATION, COLLECTION AND ENFORCEMENT  
18          OF THE SAID TAX; AND IMPOSING PENALTIES FOR  
19          THE VIOLATIONS", BY RE-ENACTING THE  
20          IMPOSITION OF THE WAGE TAX AT TWO AND FOUR  
21          TENTHS (2.4%) PERCENT ON EARNED INCOME FOR  
22          RESIDENTS AND ONE (1%) PERCENT ON EARNED  
23          INCOME FOR NON-RESIDENTS OF THE CITY OF  
24          SCRANTON, FOR WORK DONE, SERVICES PERFORMED  
25          OR BUSINESS CONDUCTED WITHIN THE CITY OF

1 SCRANTON FOR THE YEAR 2017 AND THE SAME  
2 SHALL REMAIN IN FULL FORCE AND EFFECT  
3 ANNUALLY THEREAFTER. (EMERGENCY CERTIFICATE  
4 ATTACHED)

5 MR. WECHSLER: At this time, I'll  
6 entertain a motion that Item 5-E be  
7 introduced into its proper committee.

8 MR. ROGAN: So moved.

9 MR. EVANS: Second.

10 MR. WECHSLER: On the question? All  
11 those in favor of introduction signify by  
12 saying aye.

13 MR. PERRY: Aye.

14 MR. ROGAN: Aye.

15 MR. EVANS: Aye.

16 MR. GAUGHAN: Aye.

17 MR. WECHSLER: Aye. Opposed? The  
18 ayes have it and so moved.

19 MS. REED: 5-F. FOR INTRODUCTION -  
20 AN ORDINANCE - AMENDING FILE OF THE COUNCIL  
21 NO. 100, 1976, ENTITLED "AN ORDINANCE (AS  
22 AMENDED) LEVYING GENERAL AND SPECIAL TAXES  
23 FOR THE FISCAL YEAR 1977", BY SETTING THE  
24 MILLAGE FOR THE YEAR 2017 AND THE SAME SHALL  
25 REMAIN IN FULL FORCE AND EFFECT ANNUALLY

1           THEREAFTER. (EMERGENCY CERTIFICATE  
2           ATTACHED).

3                   MR. WECHSLER: At this time, I'll  
4           entertain a motion that Item 5-F be  
5           introduced into its proper committee.

6                   MR. ROGAN: So moved.

7                   MR. EVANS: Second.

8                   MR. WECHSLER: On the question? All  
9           those in favor of introduction signify by  
10          saying aye.

11                   MR. PERRY: Aye.

12                   MR. ROGAN: Aye.

13                   MR. EVANS: Aye.

14                   MR. GAUGHAN: Aye.

15                   MR. WECHSLER: Aye. Opposed? The  
16          eyes have it and so moved.

17                   MS. REED: 5-G. FOR INTRODUCTION -  
18          AN ORDINANCE - AMENDING FILE OF THE COUNCIL  
19          NO. 17, 1994 ENTITLED "AN ORDINANCE (AS  
20          AMENDED) AUTHORIZING THE GOVERNING BODY OF  
21          THE CITY OF SCRANTON TO ENACT 'A WASTE  
22          DISPOSAL AND COLLECTION FEE' FOR THE PURPOSE  
23          OF RAISING REVENUE TO COVER THE WASTE  
24          DISPOSAL AND COLLECTION COSTS INCURRED BY  
25          THE CITY OF SCRANTON FOR THE DISPOSAL OF

1 REFUSE", BY IMPOSING A WASTE DISPOSAL AND  
2 COLLECTION FEE OF \$300.00 FOR CALENDAR YEAR  
3 2017 AND THE SAME SHALL REMAIN IN FULL FORCE  
4 AND EFFECT ANNUALLY THEREAFTER. (EMERGENCY  
5 CERTIFICATE ATTACHED)

6 MR. WECHSLER: At this time, I'll  
7 entertain a motion that Item 5-G be  
8 introduced into its proper committee.

9 MR. ROGAN: So moved.

10 MR. EVANS: Second.

11 MR. WECHSLER: On the question? All  
12 those in favor of introduction signify by  
13 saying aye.

14 MR. PERRY: Aye.

15 MR. EVANS: Aye.

16 MR. GAUGHAN: Aye.

17 MR. WECHSLER: Aye. Opposed?

18 MR. ROGAN: No.

19 MR. WECHSLER: The ayes have it and  
20 so moved.

21 MS. REED: 5-H. FOR INTRODUCTION -  
22 AN ORDINANCE - AMENDING FILE OF THE COUNCIL  
23 NO. 126, 2015, AN ORDINANCE ENTITLED  
24 "GENERAL CITY OPERATING BUDGET 2016" BY  
25 TRANSFERRING \$21,000.00 FROM ACCOUNT NO.



1 01.040.00040.4201 (DEPARTMENT OF BUSINESS  
2 ADMINISTRATION - BUREAU OF ADMINISTRATION  
3 PROFESSIONAL SERVICES) TO ACCOUNT NO.  
4 01.020.00000.4201 (OFFICE OF THE CITY  
5 CLERK/CITY COUNCIL- PROFESSIONAL SERVICES)  
6 TO PROVIDE SUFFICIENT FUNDING FOR THE  
7 PROFESSIONAL SERVICES ACCOUNT THROUGH THE  
8 2016 BUDGET PERIOD.

9 MR. WECHSLER: At this time, I'll  
10 entertain a motion that Item 5-H be  
11 introduced into its proper committee.

12 MR. ROGAN: So moved.

13 MR. EVANS: Second.

14 MR. WECHSLER: On the question?  
15 This represents the portion of the annual  
16 audit that city council is responsible for  
17 paying for. Our budget item did not include  
18 enough money to cover our share so it's a  
19 transfer into our account to cover the  
20 audit.

21 All those in favor of introduction  
22 signify by saying aye.

23 MR. PERRY: Aye.

24 MR. ROGAN: Aye.

25 MR. EVANS: Aye.

1 MR. GAUGHAN: Aye.

2 MR. WECHSLER: Aye. Opposed? The  
3 ayes have it and so moved.

4 MR. EVANS: I make a motion to  
5 suspend the Rules to move Items 5-B, 5-C,  
6 5-D, 5-E, 5-F and 5-G into Sixth and Seventh  
7 Orders to be considered for final passage  
8 based on the attached emergency certificate.

9 MR. ROGAN: Second.

10 MR. WECHSLER: At this time, I'll  
11 entertain a motion that Item 5-B be  
12 introduced into its proper committee.

13 MR. ROGAN: So moved.

14 MR. EVANS: Second.

15 MR. WECHSLER: On the question? All  
16 those in favor of introduction signify by  
17 saying aye.

18 MR. PERRY: Aye.

19 MR. ROGAN: Aye.

20 MR. EVANS: Aye.

21 MR. GAUGHAN: Aye.

22 MR. WECHSLER: Aye. Opposed? The  
23 ayes have it and so moved.

24 MS. REED: SIXTH ORDER. 6-A -  
25 FORMERLY 5-B - READING BY TITLE - FILE OF

1 THE COUNCIL NO. 74-2017 - AS AMENDED - AN  
2 ORDINANCE - AMENDING FILE OF THE COUNCIL NO.  
3 6, 1976 ENTITLED "AN ORDINANCE (AS AMENDED)  
4 IMPOSING A TAX FOR GENERAL REVENUE PURPOSES  
5 ON THE TRANSFER OF REAL PROPERTY SITUATE  
6 WITHIN THE CITY OF SCRANTON; PRESCRIBING AND  
7 REGULATING THE METHOD OF EVIDENCING THE  
8 PAYMENT OF SUCH TAX; CONFERRING POWERS AND  
9 IMPOSING DUTIES UPON CERTAIN PERSONS, AND  
10 PROVIDING PENALTIES", BY IMPOSING THE RATE  
11 OF THE REALTY TRANSFER TAX AT TWO AND NINE  
12 TENTHS PERCENT (2.9%) FOR CALENDAR YEAR 2017  
13 AND THE SAME SHALL REMAIN IN FULL FORCE AND  
14 EFFECT ANNUALLY THEREAFTER. (EMERGENCY  
15 CERTIFICATE ATTACHED)

16 MR. WECHSLER: You've heard reading  
17 by title of Item 6-A, as amended, what is  
18 your pleasure?

19 MR. ROGAN: I move that Item 6-A, as  
20 amended, pass reading by title.

21 MR. EVANS: Second.

22 MR. WECHSLER: On the question? All  
23 those in favor signify by saying aye.

24 MR. PERRY: Aye.

25 MR. ROGAN: Aye.

1 MR. EVANS: Aye.

2 MR. GAUGHAN: Aye.

3 MR. WECHSLER: Aye. Opposed? The  
4 ayes have it and so moved.

5 MS. REED: 6-B - FORMERLY 5-C -  
6 READING BY TITLE - FILE OF THE COUNCIL NO.  
7 75-2017 - AN ORDINANCE - AMENDING FILE OF  
8 THE COUNCIL NO. 6, 1976 ENTITLED "AN  
9 ORDINANCE (AS AMENDED) IMPOSING A TAX FOR  
10 GENERAL REVENUE PURPOSES ON THE TRANSFER OF  
11 REAL PROPERTY SITUATE WITHIN THE CITY OF  
12 SCRANTON; PRESCRIBING AND REGULATING THE  
13 METHOD OF EVIDENCING THE PAYMENT OF SUCH  
14 TAX; CONFERRING POWERS AND IMPOSING DUTIES  
15 UPON CERTAIN PERSONS, AND PROVIDING  
16 PENALTIES", BY IMPOSING THE RATE OF THE  
17 REALTY TRANSFER TAX AT TWO AND NINE TENTHS  
18 PERCENT (2.9%) FOR CALENDAR YEAR 2017 AND  
19 THE SAME SHALL REMAIN IN FULL FORCE AND  
20 EFFECT ANNUALLY THEREAFTER. (EMERGENCY  
21 CERTIFICATE ATTACHED).

22 MR. WECHSLER: You've heard reading  
23 by title of Item 6-B, what is your pleasure?

24 MR. ROGAN: I move that Item 6-B  
25 pass reading by title.

1 MR. EVANS: Second.

2 MR. WECHSLER: On the question? All  
3 those in favor signify by saying aye.

4 MR. PERRY: Aye.

5 MR. ROGAN: Aye.

6 MR. EVANS: Aye.

7 MR. GAUGHAN: Aye.

8 MR. WECHSLER: Aye. Opposed? The  
9 ayes have it and so moved.

10 MS. REED: 6-C - FORMERLY 5-D -  
11 READING BY TITLE - FILE OF THE COUNCIL NO.  
12 76-2017 - AN ORDINANCE - AMENDING FILE OF  
13 THE COUNCIL NO. 8, 1976, ENTITLED "AN  
14 ORDINANCE (AS AMENDED) PROVIDING FOR THE  
15 GENERAL REVENUE BY IMPOSING A TAX AT THE  
16 RATE OF TWO (2) MILLS UPON THE PRIVILEGE OF  
17 OPERATING OR CONDUCTING BUSINESS IN THE CITY  
18 OF SCRANTON AS MEASURED BY THE GROSS  
19 RECEIPTS THEREFROM; REQUIRING REGISTRATION  
20 AND PAYMENT OF THE TAX AS CONDITION TO THE  
21 CONDUCTING OF SUCH BUSINESS; PROVIDING FOR  
22 THE LEVY AND COLLECTION OF SUCH TAX;  
23 PRESCRIBING SUCH REQUIREMENTS FOR RETURNS  
24 AND RECORDS; CONFERRING POWERS AND DUTIES  
25 UPON THE TAX COLLECTOR; AND IMPOSING

1 PENALTIES", BY IMPOSING THE BUSINESS  
2 PRIVILEGE TAX AT THE RATE OF ONE (1) MILL  
3 (.001) FOR CALENDAR YEAR 2017 AND THE SAME  
4 SHALL REMAIN IN FULL FORCE AND EFFECT  
5 ANNUALLY THEREAFTER. (EMERGENCY CERTIFICATE  
6 ATTACHED).

7 MR. WECHSLER: You've heard reading  
8 by title of Item 6-C, what is your pleasure?

9 MR. ROGAN: I move that Item 6-C  
10 pass reading by title.

11 MR. EVANS: Second.

12 MR. WECHSLER: On the question? All  
13 those in favor signify by saying aye.

14 MR. PERRY: Aye.

15 MR. ROGAN: Aye.

16 MR. EVANS: Aye.

17 MR. GAUGHAN: Aye.

18 MR. WECHSLER: Aye. Opposed? The  
19 ayes have it and so moved.

20 MS. REED: 6-D - FORMERLY 5-E -  
21 READING BY TITLE - FILE OF THE COUNCIL NO.  
22 77-2017 - AN ORDINANCE - AMENDING FILE OF  
23 THE COUNCIL NO. 11, 1976, ENTITLED "AN  
24 ORDINANCE (AS AMENDED) ENACTING, IMPOSING A  
25 TAX FOR GENERAL REVENUE PURPOSES IN THE

1 AMOUNT OF TWO PERCENT (2%) ON EARNED INCOME  
2 AND NET PROFITS ON PERSONS, INDIVIDUALS,  
3 ASSOCIATIONS AND BUSINESSES WHO ARE  
4 RESIDENTS OF THE CITY OF SCRANTON, OR  
5 NON-RESIDENTS OF THE CITY OF SCRANTON, FOR  
6 WORK DONE, SERVICES PERFORMED OR BUSINESS  
7 CONDUCTED WITHIN THE CITY OF SCRANTON,  
8 REQUIRING THE FILING OF RETURNS BY TAXPAYERS  
9 SUBJECT TO THE TAX; REQUIRING EMPLOYERS TO  
10 COLLECT THE TAX AT SOURCE; PROVIDING FOR THE  
11 ADMINISTRATION, COLLECTION AND ENFORCEMENT  
12 OF THE SAID TAX; AND IMPOSING PENALTIES FOR  
13 THE VIOLATIONS", BY RE-ENACTING THE  
14 IMPOSITION OF THE WAGE TAX AT TWO AND FOUR  
15 TENTHS (2.4%) PERCENT ON EARNED INCOME FOR  
16 RESIDENTS AND ONE (1%) PERCENT ON EARNED  
17 INCOME FOR NON-RESIDENTS OF THE CITY OF  
18 SCRANTON, FOR WORK DONE, SERVICES PERFORMED  
19 OR BUSINESS CONDUCTED WITHIN THE CITY OF  
20 SCRANTON FOR THE YEAR 2017 AND THE SAME  
21 SHALL REMAIN IN FULL FORCE AND EFFECT  
22 ANNUALLY THEREAFTER. (EMERGENCY CERTIFICATE  
23 ATTACHED).

24 MR. WECHSLER: You've heard reading  
25 by title of Item 6-D, what is your pleasure?

1 MR. ROGAN: I move that Item 6-D  
2 pass reading by title.

3 MR. EVANS: Second.

4 MR. WECHSLER: On the question? All  
5 those in favor signify by saying aye.

6 MR. PERRY: Aye.

7 MR. ROGAN: Aye.

8 MR. EVANS: Aye.

9 MR. GAUGHAN: Aye.

10 MR. WECHSLER: Aye. Opposed? The  
11 ayes have it and so moved.

12 MS. REED: 6-E - FORMERLY 5-F -  
13 READING BY TITLE - FILE OF THE COUNCIL NO.  
14 78-2017 - AN ORDINANCE - AMENDING FILE OF  
15 THE COUNCIL NO. 100, 1976, ENTITLED "AN  
16 ORDINANCE (AS AMENDED) LEVYING GENERAL AND  
17 SPECIAL TAXES FOR THE FISCAL YEAR 1977", BY  
18 SETTING THE MILLAGE FOR THE YEAR 2017 AND  
19 THE SAME SHALL REMAIN IN FULL FORCE AND  
20 EFFECT ANNUALLY THEREAFTER. (EMERGENCY  
21 CERTIFICATE ATTACHED).

22 MR. WECHSLER: You've heard reading  
23 by title of Item 6-E, what is your pleasure?

24 MR. ROGAN: I move that Item 6-E  
25 pass reading by title.



1 MR. EVANS: Second.

2 MR. WECHSLER: On the question? All  
3 those in favor signify by saying aye.

4 MR. PERRY: Aye.

5 MR. ROGAN: Aye.

6 MR. EVANS: Aye.

7 MR. GAUGHAN: Aye.

8 MR. WECHSLER: Aye. Opposed? The  
9 ayes have it and so moved.

10 MS. REED: 6-F - FORMERLY F-G -  
11 READING BY TITLE - FILE OF THE COUNCIL NO.  
12 79-2017 - FOR INTRODUCTION - AN ORDINANCE -  
13 AMENDING FILE OF THE COUNCIL NO. 17, 1994  
14 ENTITLED "AN ORDINANCE (AS AMENDED)  
15 AUTHORIZING THE GOVERNING BODY OF THE CITY  
16 OF SCRANTON TO ENACT 'A WASTE DISPOSAL AND  
17 COLLECTION FEE' FOR THE PURPOSE OF RAISING  
18 REVENUE TO COVER THE WASTE DISPOSAL AND  
19 COLLECTION COSTS INCURRED BY THE CITY OF  
20 SCRANTON FOR THE DISPOSAL OF REFUSE", BY  
21 IMPOSING A WASTE DISPOSAL AND COLLECTION FEE  
22 OF \$300.00 FOR CALENDAR YEAR 2017 AND THE  
23 SAME SHALL REMAIN IN FULL FORCE AND EFFECT  
24 ANNUALLY THEREAFTER. (EMERGENCY CERTIFICATE  
25 ATTACHED.

1 MR. WECHSLER: You've heard reading  
2 by title of Item 6-F, what is your pleasure?

3 MR. ROGAN: I move that Item 6-F  
4 pass reading by title.

5 MR. EVANS: Second.

6 MR. WECHSLER: On the question? All  
7 those in favor signify by saying aye.

8 MR. PERRY: Aye.

9 MR. EVANS: Aye.

10 MR. GAUGHAN: Aye.

11 MR. WECHSLER: Aye. Opposed?

12 MR. ROGAN: No.

13 MR. WECHSLER: The ayes have it and  
14 so moved.

15 If anyone would like to address  
16 council on the emergency legislation you may  
17 do so at this time.

18 MS. REED: SEVENTH ORDER. 7-A -  
19 FORMERLY 6-A - FOR CONSIDERATION BY THE  
20 COMMITTEE ON FINANCE - FOR ADOPTION - FILE  
21 OF THE COUNCIL NO. 74-2017 - AS AMENDED - AN  
22 ORDINANCE - AMENDING FILE OF THE COUNCIL NO.  
23 6, 1976 ENTITLED "AN ORDINANCE (AS AMENDED)  
24 IMPOSING A TAX FOR GENERAL REVENUE PURPOSES  
25 ON THE TRANSFER OF REAL PROPERTY SITUATE

1           WITHIN THE CITY OF SCRANTON; PRESCRIBING AND  
2           REGULATING THE METHOD OF EVIDENCING THE  
3           PAYMENT OF SUCH TAX; CONFERRING POWERS AND  
4           IMPOSING DUTIES UPON CERTAIN PERSONS, AND  
5           PROVIDING PENALTIES", BY IMPOSING THE RATE  
6           OF THE REALTY TRANSFER TAX AT TWO AND NINE  
7           TENTHS PERCENT (2.9%) FOR CALENDAR YEAR 2017  
8           AND THE SAME SHALL REMAIN IN FULL FORCE AND  
9           EFFECT ANNUALLY THEREAFTER. (EMERGENCY  
10          CERTIFICATE ATTACHED.

11                   MR. WECHSLER: What is the  
12                   recommendation of the Chairperson for the  
13                   Committee on Finance?

14                   MR. EVANS: As Chairperson for the  
15                   Committee on Finance, I recommend final  
16                   passage of Item 7-A.

17                   MR. ROGAN: Second.

18                   MR. WECHSLER: On the question?

19                   MR. EVANS: On the question, thank  
20                   you. This begins the process of undoing  
21                   some of the severe damage that might have  
22                   been caused over the last few years and  
23                   beyond. We cannot continue to create  
24                   disincentives for people to invest, live in  
25                   our city and own property in our city.

1           Increasing taxes is not always the solution  
2           to solvency. Promoting and creating  
3           opportunities for growth, will create an  
4           environment for new jobs, home ownership and  
5           small businesses. The real estate transfer  
6           tax was increased several years ago, in my  
7           opinion, to capture several large commercial  
8           transactions that were on the radar to city  
9           officials. While that was accomplished, the  
10          fallout included hurting the very people  
11          they should be helping the most. Young  
12          families that want to purchase their first  
13          home and make a commitment to Scranton.  
14          They are now faced with some of the highest  
15          closing costs in the state.

16                   I firmly believe that because of the  
17                   zero percent property tax increase this  
18                   year, and several real estate indicators  
19                   that have shown that over the last 12 months  
20                   listings are down and pending sales and  
21                   closed sales as well as medium sales prices  
22                   are slightly up. Those dynamics would allow  
23                   for change soon to a seller's market from a  
24                   buyer's market which would create an  
25                   opportunity for a more robust real estate

1 market in 2017.

2 Additionally, with the recent uptick  
3 in interest rates this may also drive some  
4 more buyers off the sidelines into more  
5 aggressively pursuing buying a new home now  
6 rather than later. This reduction in the  
7 real estate transfer tax is another way of  
8 us saying we are finally looking at things  
9 differently. That we believe that if we  
10 change conditions in a positive way, that we  
11 can not only reduce this tax but we can meet  
12 and outperform the current budget revenue  
13 expectations because of that.

14 Historically, as indicated, that the  
15 real estate transfer tax has consistently  
16 outperformed the budget amount over the last  
17 three years, and this was during a very  
18 onerous time of tax increases. In fact, the  
19 actual revenue for real estate tax for 2016  
20 was approximately 166 percent higher than  
21 the budgeted amount. While the BA's  
22 budgeted estimates may have been rightfully  
23 conservative, this is an indication that we  
24 may have been simply charging too much for  
25 the transfer tax.

1                   We may never know what the true  
2                   impact was on the real estate market because  
3                   of this extreme low high tax, but because of  
4                   this action tonight we can accelerate the  
5                   positive but still small trend we are seeing  
6                   while increasing revenues even more.

7                   Finally, after consulting with  
8                   Business Administrator Dave Bulzoni, we are  
9                   both confident that we can achieve our  
10                  revenue goal of further jump starting the  
11                  real estate market and still maintaining the  
12                  integrity of the budget. That's all I have  
13                  on that.

14                 MR. ROGAN: I would just like to  
15                 thank Councilman Evans for offering this  
16                 amendment, and Councilman Evans and myself  
17                 have spoken on this real estate transfer tax  
18                 issue since before Mr. Evans sat on the  
19                 board trying to come up with a solution.

20                 MR. EVANS: I was on that side of  
21                 the dais talking about this.

22                 MR. ROGAN: That's right, but I'm  
23                 very, very excited to see this reduction and  
24                 for a new homeowner it's really money in  
25                 their pocket at closing. It's less money to

1 buy and purchase a home, and for somebody  
2 selling a property it's the same, there is  
3 more revenue that they will realize. Over  
4 the last few years. Many items that we have  
5 done, although they have been small, they  
6 have been geared at getting more people to  
7 move into the City of Scranton, and I have  
8 said it for years we can't tax our way out  
9 of the problem we have to grow our way. We  
10 have to continue to work to attract young  
11 families into the City of Scranton and also  
12 do items for growth so we can reduce taxes  
13 moving forward on those that are already  
14 here, particularly the senior citizens who  
15 are earning most of burden by the property  
16 taxes in the city.

17 But once again, I am in full support  
18 of this. I'm thrilled that Business  
19 Administrator Bulzoni was very agreeable to  
20 this proposition and I hope this is the  
21 first of many tax cuts that will be coming  
22 in the next few years.

23 MR. PERRY: Yes, on the question,  
24 again, I want to thank Councilman Evans for  
25 spearheading this, I was very excited to see

1           this come to fruition and to work this out  
2           with Mr. Bulzoni to make sure that this was  
3           financially feasible because this is, just  
4           like we said last year, there is no one fix  
5           for the city, there is no one magic bullet,  
6           it's going to take a series of little  
7           changes to start that ball rolling in the  
8           right direction, and you couple this with  
9           our First Time Homebuyers Program and the  
10          tax abatement that we have for new  
11          construction, this really does show that the  
12          council is putting its value in growth in  
13          the city and not tax in the city. It's a  
14          lot easier to pay our bills when there is  
15          more of us than less of us and I think that  
16          we all realize that, and I think that the  
17          five of us have really put in the legwork to  
18          make sure that there is avenues for people  
19          to come in. And again, with the recent  
20          interest rates that the city is getting  
21          financially, and the financial world really  
22          has noticed it as well.

23                         So, again, hats off to Councilman  
24                         Evans, and I really I wish this was around  
25                         when I bought my house, I'll tell you that.



1 MR. EVANS: That's a good thing.  
2 Buy as many as you want. One last comment,  
3 what's important about the reduction is the  
4 current total real estate transfer tax for a  
5 homebuyer or somebody buying a property is  
6 4.4 percent, one of highest in the state, if  
7 not the highest. This brings us down below  
8 the 4 percent threshold for the total  
9 transfer which is very, very important.  
10 It's psychological in many ways, but I think  
11 it's going to get a lot of people to give us  
12 a second look. We are basically saying we  
13 want you to move back into the city, we want  
14 you to buy property in the city and we think  
15 that can cure a lot of ills and expand the  
16 tax base. So thank you to my colleagues for  
17 supporting this initiative. I think it's  
18 very important for the city as we move  
19 forward.

20 MR. WECHSLER: I would just like to  
21 add, as I mentioned previously, I think this  
22 is another step that we have taken as a  
23 counsel to be proactive, and also I see this  
24 as another improvement to our neighborhoods  
25 in the city. We wish that the sales value

1 of the homes was higher, but they are  
2 growing, as Councilman Evans said, and we  
3 are seeing some significant, as I read in  
4 the paper in the morning, we are seeing more  
5 and more sales in the city, which I'm very  
6 excited about. We can also point to the  
7 fact that, you know, the Samter's building  
8 was purchased and I do think it's a  
9 representation of what we have done in the  
10 past few years to improve the overall  
11 financial climate of the city.

12 MR. ROGAN: And one final note,  
13 anyone who is watching this who is  
14 considering purchasing for the first time we  
15 did do the First Time Homebuyers Program  
16 that is administered through Neighbor Works  
17 NEPA, so if you are considering looking in  
18 the city for the first time, definitely  
19 reach out to them, again, that was another  
20 collaborative effort on the council and the  
21 administration's part.

22 MR. WECHSLER: Roll call, please?

23 MS. CARRERA: Mr. Perry.

24 MR. PERRY: Yes.

25 MS. CARRERA: Mr. Rogan.

1 MR. ROGAN: Yes.

2 MS. CARRERA: Mr. Evans.

3 MR. EVANS: Yes.

4 MS. CARRERA: Mr. Gaughan.

5 MR. GAUGHAN: Yes.

6 MS. CARRERA: Mr. Wechsler.

7 MR. WECHSLER: Yes. I hereby  
8 declare Item 7-A, as amended, legally and  
9 lawfully adopted.

10 MS. REED: 7-B - FORMERLY 6-B - FOR  
11 CONSIDERATION BY THE COMMITTEE ON FINANCE -  
12 FOR ADOPTION - FILE OF THE COUNCIL NO.  
13 75-2017 - AN ORDINANCE AMENDING FILE OF THE  
14 COUNCIL NO. 6, 1976 ENTITLED "AN ORDINANCE  
15 (AS AMENDED) IMPOSING A TAX FOR GENERAL  
16 REVENUE PURPOSES ON THE TRANSFER OF REAL  
17 PROPERTY SITUATE WITHIN THE CITY OF  
18 SCRANTON; PRESCRIBING AND REGULATING THE  
19 METHOD OF EVIDENCING THE PAYMENT OF SUCH  
20 TAX; CONFERRING POWERS AND IMPOSING DUTIES  
21 UPON CERTAIN PERSONS, AND PROVIDING  
22 PENALTIES", BY IMPOSING THE RATE OF THE  
23 REALTY TRANSFER TAX AT TWO AND NINE TENTHS  
24 PERCENT (2.9%) FOR CALENDAR YEAR 2017 AND  
25 THE SAME SHALL REMAIN IN FULL FORCE AND

1 EFFECT ANNUALLY THEREAFTER. (EMERGENCY  
2 CERTIFICATE ATTACHED).

3 MR. WECHSLER: What is the  
4 recommendation of the Chairperson for the  
5 Committee on Finance?

6 MR. EVANS: As Chairperson for the  
7 Committee on Finance, I recommend final  
8 passage of Item 7-B.

9 MR. ROGAN: Second.

10 MR. WECHSLER: On the question?

11 MR. EVANS: On the question, 7-B as  
12 well as 7-C I'm hopeful and I'm confident  
13 that 2017 may be the last year these taxes  
14 that have stymied growth and hurt small  
15 business in the professional community  
16 throughout our city. Our goal is to replace  
17 these oppressive and unfair taxes with a  
18 payroll tax that would be broader and more  
19 fair across the board, so hopefully that  
20 will happen as we enter into 2018 as part of  
21 the 2018 budget, so I'm hoping that this is  
22 the last time I'll ever have to vote for a  
23 mercantile or a business privilege tax.

24 MR. WECHSLER: Roll call, please?

25 MS. CARRERA: Mr. Perry.

1 MR. PERRY: Yes.

2 MS. CARRERA: Mr. Rogan.

3 MR. ROGAN: Yes.

4 MS. CARRERA: Mr. Evans.

5 MR. EVANS: Yes.

6 MS. CARRERA: Mr. Gaughan.

7 MR. GAUGHAN: Yes.

8 MS. CARRERA: Mr. Wechsler.

9 MR. WECHSLER: Yes. I hereby  
10 declare Item 7-B legally and lawfully  
11 adopted.

12 MS. REED: 7-C - FORMERLY 6-C - FOR  
13 CONSIDERATION BY THE COMMITTEE ON FINANCE -  
14 FOR ADOPTION - FILE OF THE COUNCIL NO.  
15 76-2017 - AN ORDINANCE - AMENDING FILE OF  
16 THE COUNCIL NO. 8, 1976, ENTITLED "AN  
17 ORDINANCE (AS AMENDED) PROVIDING FOR THE  
18 GENERAL REVENUE BY IMPOSING A TAX AT THE  
19 RATE OF TWO (2) MILLS UPON THE PRIVILEGE OF  
20 OPERATING OR CONDUCTING BUSINESS IN THE CITY  
21 OF SCRANTON AS MEASURED BY THE GROSS  
22 RECEIPTS THEREFROM; REQUIRING REGISTRATION  
23 AND PAYMENT OF THE TAX AS CONDITION TO THE  
24 CONDUCTING OF SUCH BUSINESS; PROVIDING FOR  
25 THE LEVY AND COLLECTION OF SUCH TAX;

1           PRESCRIBING SUCH REQUIREMENTS FOR RETURNS  
2           AND RECORDS; CONFERRING POWERS AND DUTIES  
3           UPON THE TAX COLLECTOR; AND IMPOSING  
4           PENALTIES", BY IMPOSING THE BUSINESS  
5           PRIVILEGE TAX AT THE RATE OF ONE (1) MILL  
6           (.001) FOR CALENDAR YEAR 2017 AND THE SAME  
7           SHALL REMAIN IN FULL FORCE AND EFFECT  
8           ANNUALLY THEREAFTER. (EMERGENCY CERTIFICATE  
9           ATTACHED).

10                   MR. WECHSLER: What is the  
11                   recommendation of the Chairperson for the  
12                   Committee on Finance?

13                   MR. EVANS: As Chairperson for the  
14                   Committee on Finance, I recommend final  
15                   passage of Item 7-C.

16                   MR. ROGAN: Second.

17                   MR. WECHSLER: On the question?  
18                   Roll call, please?

19                   MS. CARRERA: Mr. Perry.

20                   MR. PERRY: Yes.

21                   MS. CARRERA: Mr. Rogan.

22                   MR. ROGAN: Yes.

23                   MS. CARRERA: Mr. Evans.

24                   MR. EVANS: Yes.

25                   MS. CARRERA: Mr. Gaughan.

1 MR. GAUGHAN: Yes.

2 MS. CARRERA: Mr. Wechsler.

3 MR. WECHSLER: Yes. I hereby  
4 declare Item 7-C legally and lawfully  
5 adopted.

6 MS. REED: 7-D - FORMERLY 6-D - FOR  
7 CONSIDERATION BY THE COMMITTEE ON FINANCE -  
8 FOR ADOPTION - FILE OF THE COUNCIL NO.  
9 77-2017 - AN ORDINANCE - AMENDING FILE OF  
10 THE COUNCIL NO. 11, 1976, ENTITLED "AN  
11 ORDINANCE (AS AMENDED) ENACTING, IMPOSING A  
12 TAX FOR GENERAL REVENUE PURPOSES IN THE  
13 AMOUNT OF TWO PERCENT (2%) ON EARNED INCOME  
14 AND NET PROFITS ON PERSONS, INDIVIDUALS,  
15 ASSOCIATIONS AND BUSINESSES WHO ARE  
16 RESIDENTS OF THE CITY OF SCRANTON, OR  
17 NON-RESIDENTS OF THE CITY OF SCRANTON, FOR  
18 WORK DONE, SERVICES PERFORMED OR BUSINESS  
19 CONDUCTED WITHIN THE CITY OF SCRANTON,  
20 REQUIRING THE FILING OF RETURNS BY TAXPAYERS  
21 SUBJECT TO THE TAX; REQUIRING EMPLOYERS TO  
22 COLLECT THE TAX AT SOURCE; PROVIDING FOR THE  
23 ADMINISTRATION, COLLECTION AND ENFORCEMENT  
24 OF THE SAID TAX; AND IMPOSING PENALTIES FOR  
25 THE VIOLATIONS", BY RE-ENACTING THE

1 IMPOSITION OF THE WAGE TAX AT TWO AND FOUR  
2 TENTHS (2.4%) PERCENT ON EARNED INCOME FOR  
3 RESIDENTS AND ONE (1%) PERCENT ON EARNED  
4 INCOME FOR NON-RESIDENTS OF THE CITY OF  
5 SCRANTON, FOR WORK DONE, SERVICES PERFORMED  
6 OR BUSINESS CONDUCTED WITHIN THE CITY OF  
7 SCRANTON FOR THE YEAR 2017 AND THE SAME  
8 SHALL REMAIN IN FULL FORCE AND EFFECT  
9 ANNUALLY THEREAFTER. (EMERGENCY CERTIFICATE  
10 ATTACHED).

11 MR. WECHSLER: What is the  
12 recommendation of the Chairperson for the  
13 Committee on Finance?

14 MR. EVANS: As Chairperson for the  
15 Committee on Finance, I recommend final  
16 passage of Item 7-D.

17 MR. ROGAN: Second.

18 MR. WECHSLER: On the question? I  
19 only have one comment on the question, for  
20 me when we are able to reduce this tax is  
21 one we will know that we finally have made  
22 significant progress.

23 MR. EVANS: I totally agree.

24 MR. WECHSLER: And this, as last  
25 year we referred to the mercantile tax as



1 the most despised tax, this one would be in  
2 second place. When the mercantile is gone,  
3 this will become the most despised tax, and  
4 our goal as leaders of this city should be  
5 to reduce this tax at some point in time.

6 MR. ROGAN: I completely agree. The  
7 two biggest obstacles that I see are working  
8 people are crippled in Scranton by the wage  
9 tax and senior citizens are hurt by the  
10 property tax so we need to come up with a  
11 solution to get both of those down, and with  
12 the wage as we just did with the realty  
13 transfer tax, the first reduction is likely  
14 to be a very modest reduction, but we need  
15 to get things moving in the right direction  
16 and keep more money in the people's pockets.

17 MR. WECHSLER: Roll call, please?

18 MS. CARRERA: Mr. Perry.

19 MR. PERRY: Yes.

20 MS. CARRERA: Mr. Rogan.

21 MR. ROGAN: Yes.

22 MS. CARRERA: Mr. Evans.

23 MR. EVANS: Yes.

24 MS. CARRERA: Mr. Gaughan.

25 MR. GAUGHAN: Yes.

1 MS. CARRERA: Mr. Wechsler.

2 MR. WECHSLER: Yes. I hereby  
3 declare Item 7-D legally and lawfully  
4 adopted.

5 MS. REED: 7-E - FORMERLY 6-E - FOR  
6 CONSIDERATION FOR THE COMMITTEE ON FINANCE -  
7 FOR ADOPTION - FILE OF THE COUNCIL NO.  
8 78-2017 - AN ORDINANCE - AMENDING FILE OF  
9 THE COUNCIL NO. 100, 1976, ENTITLED "AN  
10 ORDINANCE (AS AMENDED) LEVYING GENERAL AND  
11 SPECIAL TAXES FOR THE FISCAL YEAR 1977", BY  
12 SETTING THE MILLAGE FOR THE YEAR 2017 AND  
13 THE SAME SHALL REMAIN IN FULL FORCE AND  
14 EFFECT ANNUALLY THEREAFTER. (EMERGENCY  
15 CERTIFICATE ATTACHED).

16 MR. WECHSLER: What is the  
17 recommendation of the Chairperson for the  
18 Committee on Finance?

19 MR. EVANS: As Chairperson for the  
20 Committee on Finance, I recommend final  
21 passage of Item 7-E.

22 MR. ROGAN: Second.

23 MR. WECHSLER: On the question?  
24 Roll call, please?

25 MS. CARRERA: Mr. Perry.

1 MR. PERRY: Yes.

2 MS. CARRERA: Mr. Rogan.

3 MR. ROGAN: Yes.

4 MS. CARRERA: Mr. Evans.

5 MR. EVANS: Yes.

6 MS. CARRERA: Mr. Gaughan.

7 MR. GAUGHAN: Yes.

8 MS. CARRERA: Mr. Wechsler.

9 MR. WECHSLER: Yes. I hereby  
10 declare Item 7-E legally and lawfully  
11 adopted.

12 MS. REED: 7-F - FORMERLY 6-F - FOR  
13 CONSIDERATION BY THE COMMITTEE ON FINANCE -  
14 FOR ADOPTION - FILE OF THE COUNCIL NO.  
15 79-2017 - AN ORDINANCE - AMENDING FILE OF  
16 THE COUNCIL NO. 17, 1994 ENTITLED "AN  
17 ORDINANCE (AS AMENDED) AUTHORIZING THE  
18 GOVERNING BODY OF THE CITY OF SCRANTON TO  
19 ENACT 'A WASTE DISPOSAL AND COLLECTION FEE'  
20 FOR THE PURPOSE OF RAISING REVENUE TO COVER  
21 THE WASTE DISPOSAL AND COLLECTION COSTS  
22 INCURRED BY THE CITY OF SCRANTON FOR THE  
23 DISPOSAL OF REFUSE", BY IMPOSING A WASTE  
24 DISPOSAL AND COLLECTION FEE OF \$300.00 FOR  
25 CALENDAR YEAR 2017 AND THE SAME SHALL REMAIN

1 IN FULL FORCE AND EFFECT ANNUALLY  
2 THEREAFTER. (EMERGENCY CERTIFICATE  
3 ATTACHED).

4 MR. WECHSLER: What is the  
5 recommendation of the Chairperson for the  
6 Committee on Finance?

7 MR. EVANS: As Chairperson for the  
8 Committee on Finance, I recommend final  
9 passage of Item 7-F.

10 MR. ROGAN: Second.

11 MR. WECHSLER: On the question?

12 MR. ROGAN: Just to explain the two  
13 "no" votes I waited to discuss it in Seventh  
14 Order, I have long stated that the garbage  
15 fee is completely unfair. I understand that  
16 it cannot be changed for 2017, but it needs  
17 to be a top priority throughout the course  
18 of this year to have a new format in place  
19 for January 1, 2018, whether it be a per bag  
20 fee or a hybrid fee. I have said for eight  
21 years now that a flat fee for garbage is  
22 just inherently unfair, that a senior  
23 citizen would pay the same for one bag as a  
24 family would pay for multiple bags.

25 MR. EVANS: On the question, yeah,

1           this is another one that I hope that I never  
2           have to vote for again after tonight because  
3           we really have to get a handle on the cost  
4           and what the best method is for disposal. I  
5           do think it's inherently unfair to senior  
6           citizens and small young family, but as a  
7           reminder I would like to remind everyone  
8           that city council did take the innovative  
9           step to offer a 10 percent discount to all  
10          property owners who pay the full amount  
11          through the May time frame, so this will  
12          give the city an increase in cash flow  
13          during that time frame, and it will also  
14          increase the collections and give property  
15          owners a much needed break.

16                   MR. WECHSLER: Yes, echoing what  
17           Mr. Evans said, it's a small step for us,  
18           but you can give yourself a 10 percent  
19           discount, and I think also this year we are  
20           going to be able to pay these using credit  
21           cards. We're working towards that, also,  
22           which will make it easier to pay easier  
23           online. Just to take advantage of the  
24           discount, I think would be a wise idea if  
25           you can. Roll call, please?

1 MS. CARRERA: Mr. Perry.

2 MR. PERRY: Yes.

3 MS. CARRERA: Mr. Rogan.

4 MR. ROGAN: No.

5 MS. CARRERA: Mr. Evans.

6 MR. EVANS: Yes.

7 MS. CARRERA: Mr. Gaughan.

8 MR. GAUGHAN: Yes.

9 MS. CARRERA: Mr. Wechsler.

10 MR. WECHSLER: Yes. I hereby  
11 declare Item 7-F legally and lawfully  
12 adopted.

13 If there is no further business,  
14 I'll entertain a motion to adjourn.

15 MR. ROGAN: Motion to adjourn.

16 MR. WECHSLER: Meeting adjourned.

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C E R T I F I C A T E

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I hereby certify that the proceedings and evidence are contained fully and accurately in the notes of testimony taken by me at the hearing of the above-captioned matter and that the foregoing is a true and correct transcript of the same to the best of my ability.

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CATHENE S. NARDOZZI, RPR  
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