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SCRANTON CITY COUNCIL MEETING

HELD:

Thursday, July 13, 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, ESQUIRE - 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.

14 MR. EVANS: I would like to make a
15 motion to take from the table Resolution No.
16 176 2017.

17 MR. ROGAN: Second.

18 MR. WECHSLER: On the question?

19 This legislation pertains to a contract with
20 James Moran to assist and develop the rental
21 registration database program. This
22 resolution will be placed in Seventh Order
23 for final vote. Anyone who wishes to speak
24 on this particular piece of legislation may
25 do so during Fourth Order citizens'

1 participation. All those in favor of
2 introduction signify by saying aye.

3 MR. PERRY: Aye.

4 MR. ROGAN: Aye.

5 MR. EVANS: Aye.

6 MR. GAUGHAN: Aye.

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

9 MS. REED: Dispense with the reading
10 of minutes.

11 MS. REED: THIRD ORDER. 3-A.
12 BREAKDOWN OF THE ELIGIBLE SALARIES FOR THE
13 LIQUID FUELS ACCOUNT FOR THE MONTHS OF
14 APRIL, MAY AND JUNE, 2017.

15 MR. WECHSLER: Are there any
16 comments? If not, received and filed.

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

19 MR. PERRY: I have one to make. On
20 July 22, Saturday, the Minooka Lions are
21 going to have their annual open golf
22 tournament. It's held at the Pine Hills
23 Country Club every year, which is on Keyser
24 Avenue in Taylor. It's \$360 per team, \$90
25 per person. There is also tickets available

1 for just the after dinner. Again, like all
2 Lion's Clubs, Minooka Lion's Club does a
3 great job with the community and giving back
4 to the elderly and the children and it's a
5 great time and great cause, so please
6 consider attending and supporting them and
7 supporting the Minooka Lion's.

8 MR. ROGAN: I have two. The Fellows
9 Park Sunday concert series will continue
10 this weekend July 16. The Doug Smith band
11 will be performing at Fellows Park which is
12 on the corner of Fellows Park -- Fellow
13 Street and North Main Avenue. This is free
14 rain or shine brought to you by the West
15 Scranton Hyde Park Neighborhood Watch.

16 Secondly, also, an event sponsored
17 by the Neighborhood Watch is a painting for
18 children at 1304 Jackson Street. This is
19 going to go on on Tuesday, July 18 and July
20 24 from 1 to 2 p.m. with a snack provided
21 for the children. Registration is suggested
22 and a \$5 donation is appreciated.

23 MS. REED: FOURTH ORDER. CITIZENS'
24 PARTICIPATION.

25 MR. WECHSLER: Joan Hodowanitz.

1 MS. HODOWANITZ: Joan Hodowanitz,
2 resident and taxpayer. I guess you are
3 happy two more weeks and you are going on
4 recess.

5 MR. WECHSLER: Can't believe it.

6 MS. HODOWANITZ: That's all right,
7 never thought I'd live to see it, and I
8 never thought I'd like to see it but we got
9 the 2016 independent audit dated July 11 and
10 went to the City Clerk's Office yesterday
11 and I was able to review it there. As of
12 4:30 it's not yet been posted to the city's
13 website, I hope they will do that within the
14 next couple of days. It was marvel of cut
15 and past ingenuity. The fact they were so
16 overwhelming cut and past that when they
17 were talking about the pension funds and the
18 mention that for fiscal year 2016 the funds
19 earned .38 return on investment, no, that
20 was 2015 where they cut and pasted in, they
21 actually earned 5.29 percent, which is a
22 much better year, so you have to be very
23 careful when you are doing cut and past and
24 sometimes get the facts wrong.

25 The audit does allude to the sewer

1 stay and the city getting it's \$66 million,
2 but the one thing I didn't see in the City
3 Clerk's copy, maybe this is because it's
4 just wasn't in that copy, I haven't seen the
5 entire document on line yet, in the 2015
6 audit the very back of the audit they have
7 what's called the single audit where they
8 reviewed internal controls for city
9 procedures. That section was missing from
10 the City Clerk's copy, so I don't know
11 whether it wasn't done or just didn't happen
12 to be included in that one copy, so we shall
13 see. Internal controls are key to city
14 operations, especially something that
15 citizens should be able to review.

16 Which brings to mind, don't forget,
17 that you as city council have to publish
18 your public summary of the audit in the
19 legal section, so hopefully you can pump
20 that out before you go on recess.

21 And speaking of things that we are
22 looking for, have you heard anything from
23 the Attorney General?

24 MR. WECHSLER: No. The last time we
25 spoke it was going to be a few weeks so it's

1 been two weeks since we spoke to them.

2 MS. HODOWANITZ: I doubt that you
3 are going to hear before you go on recess,
4 but I'll keep asking. How about the RFP for
5 the third party administrator for the
6 pension funds? That's an oldie but goldie?

7 MR. EVANS: Nothing.

8 MR. WECHSLER: Still the same.

9 MS. HODOWANITZ: Yeah, let's see,
10 March 18, 2016 and tick-tock, tick-tock.
11 How about the revised Knowel's insurance
12 list for city property?

13 MR. EVANS: Nothing yet.

14 MS. HODOWANITZ: Okey-dokey. There
15 was a very interesting editorial on July 9
16 in the Times-Tribune, "High Cost Drift" and
17 basically it alluded to the fact that the
18 state legislature is considering bills that
19 would allow local governments like Scranton
20 to conduct business by resolution rather
21 than by ordinance, but by law only
22 ordinances must be advertised in the paper.
23 And, of course, the editorial said, you
24 know, we should advertise ordinances and
25 resolutions and it should all be ordinances

1 and not moved over to resolutions.

2 I have to agree with this editorial,
3 this is pennywise and pound foolish
4 legislation. If anything the city needs it
5 needs more public transparency on city
6 operations, and the public needs the
7 opportunity at least they take the time to
8 read the labels to see these kinds of things
9 and any ordinances that are coming up
10 hopefully also all resolutions so I hope
11 that those bills go down in defeat.

12 And that brings to mind another
13 issue, we need more not less public
14 oversight of city operations. We need more
15 citizens to get involved in tracking and
16 following what the government does. I was
17 pleased to see WNEP do one of their
18 investigations on the police departments
19 janitorial contract and the upshot of that
20 was we saw that the city put out the
21 contract to bid and I think that, if I
22 recall, I think on July 21 is when the bids
23 will be opened so that should hopefully
24 correct that problem.

25 Just one quick thing on rental

1 registration, don't forget buildings like
2 the Forum which has 80 apartments, all of
3 which are owe owned by individuals, but a
4 significant number of those apartments are
5 used for rental income and I would strongly
6 doubt if any of them have ever been
7 registered so don't overlook buildings like
8 because you can't drive by and tell. Thank
9 you.

10 MR. EVANS: You just gave Jim Moran
11 a gift.

12 MS. HODOWANITZ: Oh, I'll tattle
13 tail, I promise.

14 MR. WECHSLER: Tom Foley.

15 MR. FOLEY: Gentlemen, good to see
16 you again. I haven't been here for awhile.
17 My family, including grandchildren, we have
18 been in Europe on vacation. Sadly, I had to
19 miss the town hall meeting. I didn't get
20 back until afterwards and our family has
21 been staying with us at the lake.

22 With that said, let's get with a
23 couple of things. First, I would like to
24 thank the citizen who sent me the regulation
25 with respect to the money being turned over

1 than to the city. The sale proceeds from
2 the sewer plant I was aware of it, however,
3 I disagree. I believe that the city had to
4 dissolve the Authority before it got the
5 money and I understand that's under
6 litigation so there is no reason for me to
7 deal with that in the future.

8 I was unaware there was going to be
9 a discussion on the registration fee
10 tonight, rental registration, but I'm not
11 optimistic the tip line is going to produce
12 a lot of fruit. You need to provide some
13 incentive for individuals to turn their
14 neighbors in. At one of the previous
15 meetings I mentioned that if you put a fine
16 for someone who knowingly broke the law by
17 not registering, and I think \$500 would be
18 appropriate, then if somebody made a tip
19 they would get 50 percent of the fine. They
20 would get a whistleblower fee. Give these
21 people some incentive to turn their
22 neighbors in. Right now they don't have
23 any. That's incentive.

24 I understand that you guys have been
25 asked to look at a three-year recovery

1 program. I will dare say that there is
2 nobody on council that has the ability to
3 truly understand that three-year plan. I am
4 not optimistic and, frankly, I have not had
5 time to review it, but I will get to it. I
6 believe the plan is probably flawed, no
7 different than all of the other financial
8 information that you gentlemen have been
9 provided by the city over the last several
10 years so what makes you think it's correct
11 today?

12 I will offer this, if you would
13 like, I will review the plan on behalf of
14 city council. I will do it free of charge
15 as long as I get complete and unfettered
16 access to the individuals who developed the
17 plan, included the underlying assumptions,
18 and I would be more than happy to report
19 back to you in writing as a public document.
20 The decision whether you want to take me up
21 on that offer is yours.

22 There are several other issues out
23 there, and I'm not going to try and get into
24 them tonight, you received today, each one
25 of you, an e-mail requesting two pieces of

1 information from the Sewer Authority, one of
2 which dealt with storm water. Tomorrow the
3 city is going to get the same letter,
4 Right-to-Know request from me. I think it's
5 important because all too often this body is
6 the last to know what is going on. That
7 letter is meant to inform you if there is
8 problem and the problem would be what's
9 afoot. Has there been any discussions with
10 anybody with respect to the cost of the
11 repairs or the repair work itself for the
12 storm water system or has anybody ever
13 discussed the sale of the storm water
14 system?

15 Now, I am asking the Authority, I am
16 asking the city and, frankly, the
17 beneficiaries of this will be city council
18 and the public. If there hasn't been, they
19 will just say no. If they refuse to, the
20 city and the Sewer Authority, to respond to
21 my Right-to-Know request then you have to
22 step back and say there are probably things
23 going on that you guys have not been
24 informed of. So with that have a great
25 evening.

1 MR. WECHSLER: Thank you. Fay
2 Franus.

3 MS. FRANUS: Fay Franus, Scranton.
4 Did Ned Abrahamsen have a contract that came
5 in front of you when the Parking Authority
6 was sold?

7 MR. WECHSLER: No.

8 MS. FRANUS: He didn't have a
9 contract? And he still got the \$200,000.
10 That's 400,000 he got from the city with no
11 contract, there might have been more. Have
12 you ever approved an oral contract?

13 MR. WECHSLER: We approved
14 Mr. Abrahamsen for a labor contract.

15 MS. FRANUS: Pardon me? No, not a
16 labor contract.

17 MR. WECHSLER: That's the only
18 contract that we approved.

19 MS. FRANUS: But I asked did you
20 ever approve an oral contract.

21 MR. WECHSLER: Never been asked to
22 approve an oral contract.

23 MS. FRANUS: I don't think you ever
24 will be. To follow-up on what Mr. Foley
25 said, on December 15, 2016, this council

1 passed a resolution -- an ordinance, rather,
2 to dissolve the Sewer Authority.

3 Mr. Wechsler and Mr. Gaughan voted "no" and
4 Mr. Evans and Mr. Rogan and Mr. Perry voted
5 "yes" and that was supposedly dissolved, but
6 as of today, 7-13, the Sewer Authority is
7 still active since 5-18-1953. They didn't
8 file the -- the city didn't file the
9 paperwork and we still have Jason Shrive
10 there for \$130,000 a year and authority
11 members are still working there and how do
12 you explain this not being dissolved and
13 it's continuing to stay there and all
14 these -- what I'm afraid of it's a very
15 dangerous precedent are you setting by
16 allowing Mayor Courtright to keep on
17 breaking the laws. He broke the laws with
18 the lawyers, now I want to read the law on
19 Governor Corbett. I'm just reading what the
20 editorial said, I want to put some
21 background to this.

22 "In 2012, the State Legislature by
23 unanimous vote in both houses specifically
24 amended the Pennsylvania Municipal
25 Authorities Act to preclude Authorities from

1 using their money and other resources to
2 fund the city government," but the amended
3 Municipal Authorities Act says that
4 Authority money can't be used for anything
5 other than the Authority's own operations.
6 That could mean that the Authority actually
7 was barred from giving the city any money
8 from the sewer system rather than the \$70
9 million to date plus \$17 million for
10 Dunmore.

11 So I believe Mayor Courtright has
12 spent much money paying off bonds and loans
13 with the sewer sale money; is that right?

14 MR. WECHSLER: Yes.

15 MS. FRANUS: Do you find -- the
16 precedent that is being set is that Mayor
17 Courtright is continuing breaking laws and
18 you let it go. You don't speak up about it,
19 you -- just nothing. I mean, you are the
20 legislative branch, you don't even pass the
21 laws. You let them go as well, but Mayor
22 Courtright is behind all of this and he is
23 the one that's held responsible.

24 Now, how does he get to spend money
25 from the sewer sale if it's not dissolved?

1 And he is also spending it on city business.
2 This law says it's not supposed to be used
3 for anything other than Sewer Authority
4 purposes. This is not being used for Sewer
5 Authority purposes. Yes, that's very good
6 about it saving the people money with the
7 interest they don't have to pay now because
8 those loans are paid off that's -- I'm not
9 saying that's bad, but I'm saying breaking
10 the laws, Mayor Courtright has to stop
11 breaking city administrative laws, state
12 laws, he just does whatever he wants and
13 nobody says anything. I mean, look at Dave
14 Bulzoni, he is still working here illegally
15 and you don't care. You don't care.

16 People want something done. You
17 just go along with anything he wants. He is
18 the culprit here but you are an accomplice
19 to all of this. So this sewer sale I don't
20 even though if it's legal anymore, any of
21 it. They are not supposed to get money for
22 the city for anything with the sewer sale
23 money unless it's for sewer business and the
24 money Mayor Courtright is using it for is
25 certainly not that, so that to me is illegal

1 and I hope somebody checks into it, but I
2 wish you would have to something up there
3 instead of saying nothing. Do you feel this
4 is right or wrong or you don't agree or
5 what?

6 MR. EVANS: Well, we asked our
7 solicitor last week and he gave his opinion
8 and you may not agree with it.

9 MS. FRANUS: Well, Wayne.

10 MR. EVANS: I know that.

11 MS. FRANUS: His opinion didn't go
12 too far his opinion.

13 MR. EVANS: Well, part of the other
14 issue is the Sewer Authority had \$3.1
15 million worth of consulting and legal fees
16 and, of course, that question came up at
17 some point in time there so we paid -- I
18 hope the Sewer Authority didn't get \$3
19 million worth of bad advice.

20 MS. FRANUS: That's another thing.
21 The money was spent, the sewer sale money
22 was spent to hire the lawyers. That's
23 illegal. It was -- that's city money. I
24 mean, it's city money but it's only supposed
25 to be for sewer reasons and that is not --

1 lawyer's fees are not Sewer Authority
2 reasons.

3 MR. EVANS: Yeah, we are at that
4 point now where you have competing opinions
5 on that. I'm not saying that's my opinion,
6 I'm just saying there is competing opinions
7 on what's right and what's wrong.

8 MS. FRANUS: Well, what's lawful and
9 what's not --

10 MR. EVANS: That's true so --

11 MS. FRANUS: What's legal and what's
12 not legal.

13 MR. EVANS: And I think there is a
14 lawsuit now again trying to straighten it
15 out. It never ends with lawsuits.

16 MS. FRANUS: Well, the only reason
17 is if Mayor Courtright would stop breaking
18 the laws there wouldn't be lawsuits. Like,
19 I can't afford to get a lawyer, but if I
20 could I would be there with a list of
21 things.

22 MR. EVANS: I understand.

23 MS. FRANUS: Thank you.

24 MR. WECHSLER: Lenny Srebro.

25 MR. SREBRO: Good evening, Council.

1 Lenny Srebro, Scranton resident. Hey
2 strangers, long time no see. I didn't go
3 away, still got the problems up there with
4 the flooding, you know, I thought it would
5 give some courtesy to the biggest thing
6 going on with the sale of the Sewer
7 Authority so, you know, I just let it ride
8 for awhile.

9 Now, we really haven't had any
10 storms since late last year, but I'm telling
11 you in the last two weeks got hammered
12 again, you know? Now, this was Friday and
13 Saturday and also today and yesterday, the
14 flooding it's like nothing changed. Now,
15 when they did come and flush that drainage
16 pipe they only do it halfway. They ran out
17 of equipment to do the whole drainage pipe.
18 That 36-inch pipe that goes to the Keyser
19 Creek, but they were supposed to get more
20 equipment to finish the job. That was the
21 end of that so --

22 MR. PERRY: They never returned to
23 finish it?

24 MR. SREBRO: They never returned to
25 finish it. It's just like nobody picked up

1 on it. And I'm telling you that it's the
2 same thing, you know, like, the water -- I
3 got to say the water does drain eventually,
4 but before it gets a chance to drain once
5 again my property, you know, people call it
6 Lake Lenny, you know, you cannot tell the
7 difference where the street line is, where
8 the pavement is to my property in the yard,
9 you know. It's all a big lake there.

10 Now, lately, in that neighborhood
11 and in a multi-blocks they are now putting
12 in new gas lines. What a mess. I can't
13 believe that -- doesn't anybody check the
14 quality of these contractors, you know, that
15 are digging up the road and leaves the
16 road -- now, Friday when they started their
17 digging, like I said, we got a nasty storm
18 on Friday, didn't last long but the rain
19 came heavy and it washed all of the debris
20 from digging up all of these roads in the
21 neighborhood and guess who gets all of that
22 debris? Right down in my place. I'm
23 telling you garbage, rocks, dirt. That same
24 night they had all of these back loaders and
25 equipment, like, all of the gravel they put

1 down to fill the holes, you know, was all
2 over the streets. Some places are patched,
3 some aren't, and do we -- now where the
4 water companies down doesn't tell you
5 anything that there is a flooding problem.
6 They dug it all up and it just washed it all
7 away. And, like I said, I get it all, and
8 Dewey, which separates my house from my
9 garage, man that alley is just washed away,
10 it's like -- it reminds me of the Grand
11 Canyon now. The ruts are so bad there.

12 You know, also, another thing, geez,
13 they just paved all of these roads last
14 fall. First time in 15 years they paved all
15 of these roads and now they are digging them
16 up, you know, and putting in new gas lines.
17 I don't understand how those kind of plans
18 can be, you know, when now they are going to
19 have to pave again, if they pave again.

20 Now, another thing I want to say, if
21 you remembered pipe ruptured in front of my
22 house, you know, in one of the last storms
23 and the contractor Kreiger, I'm telling you
24 their equipment they had in front of my
25 place, I wasn't there for the day but when I

1 came home I witnessed it myself, they had
2 their big equipment on the curb that just
3 got rebuilt where the pipe ruptured they
4 made a mess out of that curb, you know, it's
5 all broken. This is what saves my property
6 from where the -- when the water drains and
7 comes down Lafayette Street that -- I need
8 every inch of that curb and now it's all
9 taken out, it's all busted up. I did
10 complain about it to Kreiger and all they
11 did was throw some blacktop, never cleaned
12 it up, you know, just piled up blobs of
13 blacktop.

14 Now, since we have had these last
15 storms in the last two weeks that's all
16 washing away again. Here we go. Now I'm
17 worried about the house getting flooded
18 again, you know. Doesn't somebody check the
19 quality of these contractors, you know? So
20 that's my update on the neighborhood up
21 there.

22 MR. PERRY: Yeah, Mr. Srebro, I
23 would suggest if you have the contact
24 information for Kreiger that they would be
25 the first people to get in contact with that

1 curb.

2 MR. SREBRO: I called.

3 MR. PERRY: Because, I mean, we just
4 did that in the beginning of spring right at
5 the onset as the weather started breaking.

6 MR. SREBRO: I called them. You
7 know what, you don't get return phone calls
8 back. That's what happens.

9 MR. PERRY: Because you went through
10 a lot and, you know, we went through som
11 many steps just to get that pipe fixed and
12 the curb put back in and we didn't do it
13 just to get ruined again.

14 MR. SREBRO: That's right.

15 MR. PERRY: So that's something we
16 got to say on.

17 MR. SREBRO: See, I would be talking
18 to the supervisors that are on duty there
19 and they can't give me a straight answer.
20 I'm asking them -- well, the last reply I
21 got was, well, we just did that temporary
22 fix, we are going to fix it permanently.
23 When are you going to do it? Nobody knows.

24 MR. PERRY: Well, see, now I'm
25 getting heated again because I know how much

1 you went through and how many effort we all
2 put it on this, but you can't wait for that
3 to be fixed on their schedule, you know,
4 that needs to be replaced posthaste and if
5 that now, again, if that was my property I
6 might have to go ahead and do it myself and
7 then just invoice them and send them the
8 bill. I mean it's -- it's a stuck 22
9 position. You know, what do you do, you
10 wait for Kreiger, you know, allegedly ruined
11 that curb and then it's going to just effect
12 your home again, what they should do, they
13 should take ownership and leave it the way
14 they found it or do you have to go and take
15 care of it yourself and just try to recoup
16 damages at a later date? That's a tough
17 decision to call, but as far as that
18 drainage pipe I'll get back on that and see
19 why that wasn't fixed.

20 And for anybody that doesn't know
21 poor Mr. Srebro's situation, he doesn't just
22 live on the bottom of a pitch, he lives on,
23 like, every road it seems like in the
24 neighborhood just leads right to that area.

25 MR. SREBRO: Yeah, you were there.

1 MR. PERRY: Yeah, and there is
2 just -- there is just so much development up
3 on the -- over on the hill that the drainage
4 pipes and the sewer system, the storm water
5 system that was put in at the time is just
6 not adequate anymore and that's what
7 eventually busted your pipe, drainage pipe
8 in front of your house. It just couldn't
9 take it anymore and there is a last ditch
10 effort they have to go a whole resident put
11 in, it's just a big 36-inch drainage that
12 takes it down to that little river basin and
13 that's eventually clear everything out at
14 it's own pace, but that's just like a last
15 ditch effort.

16 MR. SREBRO: Can you just tell me if
17 they are going to be paving the roads after
18 they are done with all of these pipes?

19 MR. PERRY: I'll find out for you.

20 MR. WECHSLER: The utilities are
21 obligated to return the streets to --

22 MR. SREBRO: Well, after they dug
23 them up in the fall after they paved they
24 just left the patches there.

25 MR. WECHSLER: When the work is

1 complete they have to repave.

2 MR. SREBRO: Thank you. Thanks for
3 the extra time.

4 MR. WECHSLER: Ron Ellman.

5 MR. ELLMAN: I have had one leg now,
6 I'm blind. Mr. Kelly from the newspaper
7 isn't one of my favorite people but he wrote
8 a very good article last week to me. He
9 didn't go far enough, I'm sure he could
10 have. Mr. Minora, last week I listened to
11 you defend your attorney acquaintances and I
12 wish to oppose your fuse about oral
13 arguments. I can just imagine you sitting
14 there wondering how this little squirt up
15 here could confront you, but you're big Oz
16 sitting there to me. You can't even buy a
17 lousy cell phone now without a contract.

18 MR. MINORA: I didn't defend
19 anybody, I give an opinion on the law, big
20 difference.

21 MR. ELLMAN: Well, everything
22 involves a contract. I bet all of these
23 people had contracts about the money they
24 were getting after this happened down to the
25 last penny. I don't know how many people

1 know it on the Parking Authority
2 Mr. Abrahamsen got a couple hundred thousand
3 and his nephew's law firm got a million
4 point six. Now, what did they do to get
5 this kind of money? The same on the Sewer,
6 the nephew's law firm got a million point
7 five. That's why the city doesn't have any
8 money and these people are enhancing their
9 retirement funds on the backs of the people
10 of this city as far I'm concerned. The
11 problems we face now you can't use the same
12 old answers they get when they were taking
13 years and years and followed over the years
14 this idea of selling everything and raise
15 taxes it just doesn't work. It doesn't work
16 anymore, but that's all this administration
17 seems to know.

18 I don't understand why council
19 couldn't do something about contracts and
20 oral contracts or no oral contracts, you
21 people just didn't get involved in this
22 sale, like I said, I have talked to so many
23 professional people here and there that it's
24 the same story, this was a city thing and
25 there is no council interest or whatever the

1 right word is. This was your job, you know,
2 you are supposed to protect the people that
3 put you in those seats. I still don't know
4 why you gave \$3 million of our grant money
5 to Lackawanna College to repair buildings
6 taken off the payroll. I wish somebody
7 would just tell the people of this city
8 because I have six or eight people mention
9 that. This was just beyond belief you would
10 do something like that and all five of you.
11 I had some hope that Mr. Perry might
12 start -- he seemed to be turning for the
13 people of this city, but I guess not, you
14 know.

15 MR. PERRY: Well, I mean, if you
16 want to ask the reason why I voted for that
17 was those buildings were vacant for quite a
18 long time and actually not doing the city
19 any good at all and the longer they sit
20 vacant the harder it is to get anybody
21 interested in the building, so with some
22 grant money from Lackawanna County -- or
23 Lackawanna College put those to good use
24 and, you know, more people in the city
25 stimulates more local businesses. You know,

1 would I like to have them on the payrolls?
2 Absolutely 100 percent, but at that point I
3 thought it was going to be the best use for
4 the property.

5 MR. ELLMAN: That's no reason. That
6 is no reason.

7 MR. PERRY: Well, it is a reason.

8 MR. ELLMAN: If you went down on
9 Luzerne Street, Jackson, when is the last
10 time a street sweeper went down those
11 streets? Have you called and asked these
12 closed swimming pools.

13 MR. PERRY: We are talking --

14 MR. ELLMAN: The parks look like the
15 devil. There's an article in the paper
16 today that volunteers cleaning up our park.
17 No. They didn't deserve a penny. They took
18 off property from the tax rolls and you took
19 \$3 million to repair it. That's shameful.
20 It's disgusting.

21 MR. PERRY: We'll agree to disagree.
22 We will continue next week.

23 MR. ELLMAN: No. There was no reason
24 for it. They have to have 14 million of
25 their own money, they could have gotten \$17

1 million, and this isn't a Beavis and
2 Butthead shirt, it's a Bulzoni and a Amoroso
3 shirt because that's the kind of quality
4 people they are.

5 MR. WECHSLER: Thank you,
6 Mr. Ellman. Anyone else?

7 MR. MORGAN: Good evening, Council,
8 Lee Morgan. The first thing I have is for
9 Perry here because Mr. Ellman and you just
10 -- and yourself just had a dialogue of some
11 type, but I just think that maybe later on
12 tonight you should explain to the residents
13 of this city why we are going in and
14 condemning people's rental properties and
15 why the city isn't funding to rehab them
16 because we are just letting them go and
17 tearing them down and we are using money
18 that could somewhere else and I think we are
19 enriching the wrong people.

20 But on another issue, look it, it's
21 time for the residents in the city to really
22 wake up. Nothing personal against you,
23 Mr. Wechsler, but they did the right thing
24 when we voted not to retain you. It's not a
25 personal thing, okay. Now, in the next

1 election somebody has to run against
2 Mr. Rogan because there's got to be a real
3 change that's got to take place in this
4 city. You know, I respect Mr. Minora's
5 opinion, he is a trained attorney, but you
6 know we are going to get some real fast
7 answers here because there is two issues in
8 Court that are going to bankrupt this city.
9 And, you know, along with the Sewer
10 Authority, look it, they are going to stall
11 that off. That may go to the higher court
12 and the court is going to sit on it for
13 awhile and they are going to maneuver and
14 then before the higher court hears it they
15 are going to dissolve that authority.

16 But, you know, when you see what's
17 taking place in this city and you gentlemen
18 are the watchdogs it's almost humorous, only
19 it's so pathetic that there is no humor in
20 it. It's just mind boggling that all five
21 of you just don't resign. I mean, I just
22 can't understand. You got a gentleman here
23 talking about flooding on his property, why
24 don't you just buy the gentleman's house and
25 give him some peace. I mean, Mr. Perry, you

1 are talking about a curb. Did anybody go
2 and test that cement to see what the quality
3 of cement even was? I mean, are we using
4 inferior products, is that's what's going on
5 here? Curbs shouldn't break that easy. I'm
6 being legal honest with you.

7 I mean, you know, you just take a
8 look at everything that's being done in this
9 city and it's just beyond disgraceful and,
10 look it, it's not like Mr. Mulligan has an
11 answer because he wants to be mayor, too.
12 Don't forget, Myron Wolkoff did a hell of a
13 job with the Sewer Authority the last time,
14 he stalled it all, and his group got paid to
15 stand to the side. If somebody wouldn't
16 have objected to sale of that authority it
17 never would have happened, but in the end
18 with all of this money transfer, look, you
19 are going to find out how illegal that is
20 sooner or later, but the problem is that
21 they won't hold you personally accountable.
22 The state won't come in and take your homes
23 and take your assets and take your bank
24 account to give relief to the residents of
25 this city and strip you of your pensions and

1 do what exactly needs to be done to a public
2 official who has no respect for the people
3 they represent, and the Auditor General
4 should already be here because obviously he
5 knows what's that law is the.

6 And, you know, I had an opportunity
7 on my Facebook page, as crazy as that
8 sounds, to talk to the guy that co-wrote
9 House Bill 76. The guy was definitely out
10 of his mind, and the people there didn't
11 seem to understand that the real problem in
12 Pennsylvania isn't just school taxes, it's
13 all taxes tied to property. Look at -- it's
14 time for people to wake up, okay? This tax
15 system we have is so antiquated and, look
16 it, Mrs. Cummings, she is right. There
17 doesn't need to be a reassessment. The city
18 government and all forms of government need
19 to cut their budgets because people don't
20 have jobs, they don't have disposal income,
21 you have got in some places all of the
22 children in the community getting free lunch
23 because the people are just they have
24 reached these points where there is just
25 overwhelming poverty, and then we are

1 passing out money to nonprofits. Look at
2 the mall. The guy made enough money in the
3 mall deal to pay the whole mall off. It's
4 just pathetic, and I mean that. Pathetic.

5 And you have to ask yourself what
6 did the state representatives do for us or
7 the state senator? Nothing. And what are
8 they going to do? And Senator Casey, you
9 can't even get into his office. He is like
10 a prisoner upstairs. You got be screened to
11 go talk to your senator and your
12 congressman, because you know something?
13 The government is afraid of the people they
14 represent and for the legislation that I
15 watched come through this council for 30
16 years I can understand why, and all the
17 cheap suits in the world aren't going to
18 make you look professional or competent
19 because when you look at the work you have
20 done it's worse than shoddy.

21 MR. WECHSLER: Anyone else?

22 MS. SCHUMACHER: Marie Schumacher.
23 As of this past Monday, it's been four
24 months since the presentation of the use of
25 SSA asset sale proceeds and you were told

1 that the trust agreements were to come to
2 you sooner rather than later, where are
3 they? You got two more weeks, is it going
4 to September?

5 MR. EVANS: Well, everything is tied
6 up with the third party administrator, we
7 all know that and we will not pass
8 legislation until the third party
9 administrator is in place.

10 MS. SCHUMACHER: You can see it,
11 there is not going to be any money left,
12 they might just as well forget it.

13 MR. EVANS: Well --

14 MS. SCHUMACHER: I would like to
15 keep going, thank you. Regarding the
16 dissolution though of the Sewer Authority
17 that you did last December, did each of you
18 read that and was there a date certain for
19 that termination paperwork to be filed?

20 MR. EVANS: No.

21 MR. WECHSLER: No.

22 MS. SCHUMACHER: There wasn't or you
23 didn't read it.

24 MR. EVANS: There wasn't a date
25 certain.

1 MS. SCHUMACHER: The tree house,
2 what is the status of the tree house?

3 MR. GAUGHAN: I have asked
4 repeatedly, we haven't gotten an update in a
5 few weeks.

6 MS. SCHUMACHER: Okay, thank you.

7 MR. GAUGHAN: You're welcome.

8 MS. SCHUMACHER: The property list,
9 would somebody please tell me how Knowel's
10 or whoever is doing it? I mean, all you
11 have to do is go online to the Assessor's
12 website, put in the owner's name, City of
13 Scranton or Scranton City, and they will pop
14 up page after page after page, 300 of them.
15 I don't know what in the world is taking so
16 long and I would think by this time we would
17 have had the bump up in the premium for the
18 Serrenti property, what is that?

19 MR. GAUGHAN: We haven't received
20 that information yet.

21 MS. SCHUMACHER: Hard to believe.
22 Does anybody follow-up?

23 MR. EVANS: I was told that the
24 report would come quarterly so I'll ask
25 Mr. Bulzoni again where the report is.

1 MS. SCHUMACHER: Has the Electric
2 City garage, I guess this is for you,
3 Mr. Wechsler, since you are on the board of
4 the parking whatever NDC or whatever the
5 subline is, has the Electric City garage
6 been updated and renovated as of yet?

7 MR. WECHSLER: Not completely, no.

8 MS. SCHUMACHER: What percent?

9 MR. WECHSLER: I can't answer.

10 MS. SCHUMACHER: Has NDC been paying
11 the monthly rental at Marketplace for those
12 500 spaces?

13 MR. WECHSLER: That I don't know.

14 MS. SCHUMACHER: Pardon?

15 MR. WECHSLER: I do not know.

16 MS. SCHUMACHER: When was the last
17 meeting?

18 MR. WECHSLER: Last meeting was
19 about three weeks ago.

20 MS. SCHUMACHER: And do you have
21 anything to report from that?

22 MR. WECHSLER: No, just that there
23 is going to be -- their annual meeting
24 should be held sometime in August. No
25 dates. No date was set.

1 MS. SCHUMACHER: How will we be
2 notified of that?

3 MR. WECHSLER: Through
4 advertisement.

5 MS. SCHUMACHER: When the city
6 contracted with Steamtown 300 for the
7 payment of the use of those 500 spaces at
8 the mall did that include a statement that
9 if the property were transferred to somebody
10 else that everything remained in place, they
11 would not -- in other words, was there no
12 compete -- was there a no compete clause
13 that was to be attached to any future
14 owners?

15 MR. EVANS: I don't know that for
16 sure, but I'm almost positive it was because
17 that was the whole purpose. I think that's
18 the life of the contract with NDC.

19 MS. SCHUMACHER: Well --

20 MR. EVANS: We'll see what we can
21 find out for you.

22 MS. SCHUMACHER: Okay, I would
23 appreciate that because we are talking about
24 money that was given to other people, I
25 think the big winner in all of these

1 transactions have been Mr. Basalyga and why
2 in God's green earth did we give him \$4.2
3 million? Now, I understand it was an
4 upfront for him to non-compete with the rest
5 of the garages, but, I mean, come on, why
6 did you give it to an individual? Why
7 wasn't it given to Steamtown 300? I mean,
8 if somebody cuts me a check for \$4 million
9 and not my company guess what guys? It's
10 going into my account. Do we know that it
11 went into the Steamtown 300 and why did we
12 do that? I mean, I got it on a
13 Right-to-Know, it's right here from Landmark
14 Bank, they cut a check to John Basalyga for
15 \$4,192,716.23. I mean, this is just
16 absolutely crazy. He has got no obligation
17 and that was really poor.

18 Moving on for just a minute to the
19 exit plan. Mr. Evans, do you still plan to
20 pursue the fee reduction and/or elimination
21 since the exit plan says they will stay --

22 MR. EVANS: I am absolutely going to
23 pursue that.

24 MS. SCHUMACHER: Pardon.

25 MR. EVANS: Yes, I am.

1 MS. SCHUMACHER: Then what does that
2 do, that's one of I believe the 65
3 recommendations, I would hope that before
4 you all pass that we know the impact of each
5 and every one of those if they are not
6 accomplished what does it do to our budget
7 because we already know we are going off the
8 cliff on the LST tax.

9 MR. EVANS: Yeah, the fee reductions
10 are modest, but they are still a nuisance
11 for the people that are paying.

12 MS. SCHUMACHER: Nothing is
13 happening that's good I'll tell you guys.

14 MR. EVANS: No.

15 MR. WECHSLER: Anyone else?

16 MR. DOBRZYN: Good evening, Council.
17 Dave Dobrzyn, resident, taxpayer. I'm more
18 concerned with why the upgrade on the Sewer
19 Authority was not compensated by the water
20 company and I'm not so interested in the
21 legal fees so much as I am it's why this
22 wasn't pursued that at least some of the
23 money could have been required, maybe they
24 plan to abandon that and do some other way,
25 but at any rate, it's quite a sum of money.

1 On this rental registration, I seen
2 in the paper I guess some of it was set
3 aside today the lawsuit and they are asked
4 to come back to court, but we do have to get
5 rental registered especially for trash fee
6 collection because according to Attorney
7 Hickey, and that was several years ago, it
8 may not have even been -- it may have been
9 before the prior council but the lack of
10 rental registration creates a big hole in
11 the trash fee and somehow I think that we
12 are not considering only tipping fees and we
13 are not considering the cost of removal of
14 trash or the cost of employing people to
15 remove the trash or the trucks and
16 insurance, etcetera, so on, I think \$300 is
17 pretty fair for the average person and for
18 average household and, you know, in turning
19 their property into a staging area for their
20 country relatives, well, then, once again
21 it's like I said with pay to throw before Ma
22 Schumacher came home one day and her one bag
23 of garbage had reproduced or they must have
24 got married or something and had babies
25 because she had several sitting out in front

1 of had house and, I mean, who would pay for
2 that? So I really don't want to have a
3 situation like with me.

4 And the 300 block of Cedar Avenue,
5 once again, we have more holes. How do we
6 inspect these digs after they are -- that
7 was a recently paved street and now there is
8 I think either seven or eight patches on
9 that street and they are not necessarily the
10 nicest patches and maybe they will get -- it
11 will get repaved, but maybe some of these
12 people just want to do their little dig and
13 sneak out of town and that's how they are
14 getting away with it and the result is we
15 don't have anything. This 300 block of
16 Cedar Avenue is city responsibility or
17 PennDOT, I'm not sure, but it's really quite
18 disturbing to go over something and see it's
19 all been nicely paved and then I'm so
20 stubborn I'd just as soon fix my car than to
21 spend money to have them come in and do that
22 with impunity. You know, so we really need
23 to make them register to dig and we need it
24 inspected afterwards and if it's not up to
25 par then I think we could save them a lot of

1 money.

2 And if you are going on your recess
3 this year, especially you young guys, every
4 year the People's Law School, last year it
5 was at the mall, it was like 6 to 9 or 6 to
6 8 and they have different courses and one of
7 the courses are elderly law -- is elderly
8 law, and it's a great value, you will be
9 dealing with lot of people if you are
10 elected in the future that are elderly and
11 you can understand some of their issues and
12 it might even help you with your parents, so
13 it's in the first week of August usually.
14 Call the Lackawanna Bar Association, the
15 number is in the book. Thank you and have a
16 good night.

17 MR. WECHSLER: Anyone else?

18 MR. DOBRZYN: Don't forget Dubchik
19 for dictator though.

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

22 MR. WECHSLER: Mr. Perry?

23 MR. PERRY: Yes. Thank you, Mr.
24 Wechsler. A couple of things from tonight's
25 meeting and then a carry over from two weeks

1 ago. Mr. Evans, if you don't mind, I would
2 like to also follow with up the BA's office
3 on the property list of insurance. Mrs.
4 Reed, if we can have a letter sent out to
5 the BA's Office just where do we stand on
6 the updates with the insured property list.
7 I do remember saying it's coming out
8 quarterly but it's been some time and just
9 if we can get a new update on the timeframe
10 when to expect that I think we all would
11 like to see what was taken off and the
12 impact of the Serrenti building as well.

13 The other issue that was brought up
14 by Mr. Srebro, if we could have that looked
15 into by DPW on the status of where they
16 stand and their plan of action to finish
17 that drainage pipe that was attempted and
18 they got about halfway down, I remember I
19 went there to visit with them and they
20 just-- it's just a special job. I'm not
21 sure what their plan is, but anything that
22 we had just wasn't going to get all of the
23 way through to get to that creek bed and
24 also if we can send something out to
25 Mr. Hazzouri about the patches for the gas

1 company that way Mr. Srebro, at least we
2 have a heads up, and as Councilman Wechsler
3 said, they have, you know, so many cuts that
4 they do and then they come back and take
5 care of them and there is also a time where
6 they have to let them settle and they'll
7 take cores to make sure they are solid so
8 there is a problem. I know there was one
9 outside of the 300 block of Birney Avenue
10 close to my house they just finally got the
11 top layer where it's smooth, but it was not
12 fun trying to dodge that with two-lane
13 traffic, so I definitely feel your pain.

14 And then a carryover that I have
15 from three weeks ago, Councilman Gaughan and
16 I had sent requests out about the speeding
17 that goes on in that part of the city on
18 Birney Avenue and we did get a response
19 back, I'll share that with you and then the
20 comments that Bill and I made in response to
21 that. Birney Avenue is a state highway so a
22 letter went out to Mike Taluto, Mike Alto at
23 PennDOT. He has the same concerns about the
24 crosswalk. He advised us that Birney Avenue
25 is going to be getting paved and he expects

1 something with PennDOT to get a crosswalk
2 within that part of the city and we haven't
3 heard back from them yet, but that
4 communication just went back today and I'll
5 be looking forward to hearing back from them
6 because that's a really -- that's been a
7 sore spot to the residents of that area for
8 a long time. And I believe that's all I
9 have today. Thank you.

10 MR. WECHSLER: Thank you, Mr. Perry.
11 Mr. Rogan?

12 MR. ROGAN: Yes, two brief items I
13 just want to piggyback on what Mr. Perry
14 said about the Keyser Avenue flooding. If
15 we could also add Cameron Avenue to that
16 request. The rain storms last week Cameron
17 Avenue was destroyed, I got some videos sent
18 to me and that was hit very hard as well so
19 if we could look at the whole area where I
20 think what's happening is one area is
21 flooding and going to another and I know
22 there have been temporary fixes done in the
23 area. The last thing we want to see is one
24 problem fixed that there is a problem
25 somewhere else so as I have been saying all

1 along it needs to be done for that whole
2 neighborhood.

3 Next thing I'm going to talk about
4 something, I wasn't sure how I was going to
5 address this all week, but the ridiculous
6 allegations by County Commissioner Laureen
7 Cummings. I'm sure everyone read the Friday
8 edition of the Scranton Times-Tribune, the
9 headline reads, "Cummings Accuses Scranton
10 City Council Members of Sexism," which is
11 certainly a sensational headline and I'm
12 sure sold a lot of newspapers for the
13 Scranton Times. The article goes onto stay,
14 and I'm not going to summarize the whole
15 article, but the article goes onto state
16 that myself and another councilman who have
17 criticized her position on reassessment do
18 so only because she is a woman which is the
19 most ridiculous thing that she has ever
20 said. Both Councilman Evans and myself have
21 been in support of reassessment prior to
22 Commissioner Cummings even taking office so
23 despite what she may think, this issue and
24 our position on this issue has nothing to do
25 with her. It has everything to do with the

1 issue of reassessment.

2 Now, many of us may agree or
3 disagree on whether reassessment is a good
4 thing or a bad thing for the city, but that
5 debate needs to take place strictly on the
6 issues and not get involved in these
7 ridiculous personal attacks. One of the
8 worst things in here that was said by
9 Commissioner Cummings was that because
10 Councilman Evans and her are Republicans it
11 has nothing to do with politics. I will say
12 one part of that is right, it has nothing to
13 do with politics, it has to do with public
14 policy.

15 Commissioner Cummings weekly says
16 inaccurate statements regarding the
17 reassessment, and just because she is going
18 to lodge a completely untrue charge of
19 sexism at councilmen doesn't mean that we
20 are going to back down and change our
21 position. If Commissioner Cummings truly
22 wanted to change the minds of the people of
23 Lackawanna County on reassessment or
24 persuade them one way or another, she should
25 do so with fact. I know Councilman Evans

1 will talk about this a little bit more later
2 but when it comes to reassessment I don't
3 know of anyone in the county that is more
4 knowledgeable than Mr. Evans and I know he
5 is going to talk about that a little bit
6 further.

7 Again, to wrap up, Commissioner
8 Cummings continually spews inaccurate
9 information at County Commissioner's
10 meetings. This ridiculous statement that
11 this issue has anything to do with her being
12 a woman is the most ridiculous of many
13 statements that have been made in her short
14 time as county commissioner. I could go on
15 at length about those statements, there is
16 plenty of material there, but we're not
17 going to be here all night.

18 Finally, regarding the reassessment
19 there needs to be an open public dialogue on
20 whether reassessment is something that is
21 positive or negative for the county. It
22 needs to take place in many forms, city
23 council chambers, county commissioner's
24 meetings, coffee shops throughout the
25 county. It's a very important issue and

1 it's going to effect a lot of people.

2 Although, I strongly disagree with
3 much of what Commissioner Cummings has done
4 I do agree on putting it on the ballot. I
5 know I'm at odds with some of my colleagues
6 but I do believe letting the voters have the
7 final word is a good idea. One person, one
8 vote, whichever side wins out wins. Again,
9 I'm almost a loss for words because this is
10 out of the years I have been on council this
11 has been one of the most ludicrous things
12 that's been said about myself and about
13 colleagues. Again, as Councilman Evans
14 mentioned, it's beyond irresponsible, worthy
15 of an apology, if Commissioner Cummings
16 cannot debate policy without getting into
17 personal attacks she should not be in public
18 office. Thank you.

19 MR. WECHSLER: Thank you, Mr. Rogan.
20 Mr. Evans.

21 MR. EVANS: Okay. First of all,
22 ditto, and on reassessment I will continue
23 to be a voice for a countywide reassessment
24 and I will continue to speak out in favor of
25 tax fairness and against tax inequity.

1 MR. WECHSLER: I will certainly not
2 allow anyone, and I mean anyone, to distract
3 me from that mission. Quite frankly, I'm
4 tired of seeing a lack of the growth in our
5 city because of the unfair tax impact that
6 current assessment status has on the new
7 construction. I have seen firsthand the
8 consequences of high assessments based on a
9 45-year-old data. Too many properties that
10 are too difficult to sell because of taxes
11 are too high because of inaccurate and
12 unfair assessment. This situation affects
13 people of all social and physical custody
14 backgrounds, including senior citizens.
15 Reduced property values should be a concern
16 to everyone. In fact, senior citizens
17 living on a modest home, homes that are now
18 45 years older than they were since the last
19 reassessment rarely appeal their
20 assessments. In many cases, they don't even
21 know about the process or are uncomfortable
22 with it. I would not be surprised, in my
23 opinion, if most seniors after a
24 reassessment will see no increase in taxes
25 or a reduction in their taxes.

1 While there may be some people that
2 think they know everything about the subject
3 of reassessment, that's not for me to say.
4 I can only comment on my credentials as to
5 why I feel so passionately about the subject
6 and why I feel qualified to discuss
7 reassessment as I have been doing since
8 2007. First of all, I received my real
9 estate license 1985 and have been a
10 full-time realtor since 2005 and I have been
11 a real estate broker since 2010. I am the
12 former director of the Lackawanna County
13 Office of Assessment and was employed as
14 such prior to this decision to abandon the
15 last attempt at reassessment. While in that
16 position, I held a license of a certified
17 Pennsylvania evaluator or CPE. This
18 qualifies me to properly review and assess
19 for value of properties. Without that
20 designation, you cannot assess properties in
21 Pennsylvania. After leaving the director's
22 job, I was employed as a consultant in
23 Luzerne County during their recent
24 assessment. My primary goal was to consult
25 with the various appeals during that appeals

1 process. So that is that.

2 Finally, I want to reaffirm, and
3 this is where Councilman Rogan and I
4 disagree, I want to reaffirm that I strongly
5 disagree with the decision for a referendum
6 on reassessment, and with the assistance of
7 our solicitor I'm currently researching all
8 of the rules and statutes of such a
9 referendum as well as what the true impact
10 would be post-referendum. That's all I have
11 on that tonight.

12 Tonight we have on our agenda 5-B,
13 the introduction of the exit plan for Act 47
14 so prior to that I would like to offer some
15 facts about exiting Act 47. First of all,
16 it is the coordinator's decision to make not
17 the city's. The coordinator chooses from
18 various options, which I will discuss, and
19 the decision is based on PEL's assessment of
20 the city's current financial condition. The
21 basis for that decision was the financial
22 report that was filed with the city in
23 February of this year.

24 There were three options. Number
25 one, disincorporation of the municipality.

1 All of the following conditions must be met
2 for the coordinator to find that this
3 corporation is necessary (a) the
4 municipality is unable to provide essential
5 services police, fire, sanitation, etcetera.
6 The municipalities economic conditions have
7 caused the tax base to collapse, and
8 finally, the municipality is unable to
9 consolidate or merge with the neighboring
10 municipality.

11 Two. Existence of a fiscal
12 emergency. One of the following must exist
13 for the coordinator to a find a fiscal
14 emergency. (A), the municipality is
15 insolvent or projected to be within 180
16 days. (B), the municipality is unable to
17 provide essential services, i.e., police,
18 fire, sanitation, etcetera, and (C) the
19 municipality has failed to adopt or
20 recommend a recovery plan or an exit plan.

21 If one of these conditions is met
22 the governor appoints a receiver for the
23 distressed municipality. The appointed
24 receiver is granted several powers that
25 restrict the municipality's powers to act

1 and vice versa compel -- and can compel a
2 municipality to, in fact, act.

3 Finally, the three-year option plan
4 -- or three-year exit plan. The financial
5 condition report provides the reasons why
6 PEL has decided that a three-year exit plan
7 was the best option for the city and that is
8 the course of action we are on today.

9 When I spoke at the public hearing
10 on the exit plan I stated that when I was
11 appointed and then elected as a Scranton
12 City Councilman I made a commitment to
13 follow and support the city's recovery plan.
14 I felt strongly then, and still do today,
15 that past failures of the recovery plan were
16 a direct result of elected officials picking
17 and choosing recommendations that they
18 supported and ignoring recommendations that
19 they did not support. This councilman and
20 this city council has consistently supported
21 recovery, but it should also be known that
22 all of us have had an input into each
23 recovery plan that we have been involved
24 with. In fact, two suggestions that I made
25 at the public hearing that made it into the

1 exit plan. Number one, recommendation that
2 all non-union employees transfer from a
3 defined benefits plan to a defined
4 contribution plan or 401-K.

5 Also, the draft exit plan was silent
6 on reassessment. It no longer is and it
7 strongly recommends that reassessment take
8 part as far of Scranton's recovery.

9 My final comments on recovery this
10 evening are also something that I said in
11 the public hearing, in all seriousness.
12 While I think we have made some tough
13 decisions and some right decisions related
14 to the financial side of the ledger, I
15 honestly feel that true and lasting recovery
16 cannot be achieved unless there are dramatic
17 systemic and cultural changes made within
18 the day-to-day operations of city
19 government. Aside from a shift to an
20 efficient entrepreneurial form of government
21 would be necessary if we are going to thrive
22 post Act 47. That's all I have for tonight.
23 Thank you.

24 MR. WECHSLER: Thank you, Mr. Evans.
25 Mr. Gaughan?

1 MR. GAUGHAN: Yes, thank you. Just
2 a few comments. First, I just want to talk
3 for a little bit about Frank Naughton. As I
4 was on my way into city hall tonight,
5 Mrs. Reed informed me that Frank Naughton
6 who was the former city clerk for 20 years
7 had passed away, and I knew Mr. Naughton,
8 not very well, but when Mrs. Reed and I were
9 talking outside she had great respect for
10 him because she understands, you know, what
11 goes on in this office and how it operates
12 as the city clerk, so theres is a great
13 comradery there between former city clerks
14 and Mrs. Reed.

15 And I think the one thing that we
16 talked about outside, and it is true, is
17 that Mr. Naughton was a gentleman. I had a
18 few conversations with him, I know Mrs. Reed
19 did and I think it's safe to say that he set
20 a very solid foundation in the Clerk's
21 Office, and very sad of the news that he
22 passed away, but I think he is leaving a
23 great legacy here in city hall and my
24 prayers are with him and his family.

25 A few citizens' complaints. I

1 received a complaint about abandoned cars in
2 the 1300 block of Cherry Street. You know,
3 we had the police department check this out.
4 We did receive an interesting comment from
5 Chief Graziano and I'd like to read it
6 because I think it's important the public
7 understands this. Chief Graziano notified
8 us that with the recent change in
9 Pennsylvania state law last year where they
10 got rid of registration stickers the police
11 department is getting inundated with
12 frequent complaints about vehicles being
13 parked with expired registration stickers
14 when, in fact, most of these same vehicles
15 are been renewed and are legal but because
16 the state no longer issues stickers they
17 appear to be illegal with the old stickers
18 still being displayed.

19 Now, the chief explained that in his
20 opinion he believes that the state law is
21 adversely affecting many things the police
22 department, does including the efficient
23 enforcement of abandoned vehicles on public
24 roadways, and I would agree with him. My
25 second point is I would just ask that the

1 public be patient with the police
2 department. I know I received several
3 complaints, Mrs. Reed forwards them to Chief
4 Graziano, but there is a disconnect here
5 because the police are doing their job but
6 it's very difficult now that the
7 registration stickers are not valid and not
8 needed.

9 Quite a few issues in Keyser Valley.
10 Mr. Srebro was here again tonight. I would
11 like us, again, I don't know how much this
12 will help, but I did send quite a few
13 letters and correspondence to Mr. Pocius
14 asking for a breakdown of exactly what
15 needed to be done to rectify your situation.
16 I would like to send that again and try to
17 get that in writing.

18 Also, I was out on Pattison Avenue
19 the other day in Keyser Valley. There is a
20 gentleman that's living there who is having
21 great problems with flooding. Every time it
22 rains his yard, his house, his garage gets
23 flooded. This problem started occurring
24 after the street had been paved last year as
25 part of the city's paving program. So he

1 has been in contact with the city, he has
2 had no success. I would like the city to
3 rectify this issue for the gentleman. He
4 did give me pictures of the problem and I
5 will be sharing those with my colleagues so
6 we are going to follow up on that.

7 A few weeks ago we forwarded an
8 issue in the 1500 block of Hamm Court and
9 the rear 500 block of Palm Street. There
10 are major quality of life issues here,
11 several fire hazards. There is a house in
12 disrepair, clippings and debris in the front
13 yard and quite a few neighbors are upset, so
14 I would ask us again to send something to
15 Licensing and Inspections.

16 Also, a few months ago I was in the
17 600 block of Mineral Avenue. Nothing has
18 been done to date yet. Residents are
19 extremely upset about the condition of their
20 road. There is constant, constant, constant
21 truck traffic, dumping off of Mineral Avenue
22 all hours of the day. The pave cuts that
23 were done were done extremely poorly. I
24 don't know who inspected them but it was not
25 done right and the city needs to do

1 everything in it's power to rectify this
2 issue immediately. Whether we need to
3 allocate money in the budget or whatever
4 because the quality of life in this area is
5 deplorable and I don't know how these people
6 are living up there with all that's going
7 on. So, again, I would like to send
8 something to the administration.

9 Also, had the opportunity to be in
10 the 1300 block of Birch Street on East
11 Mountain. Councilman Wechsler is also aware
12 of this issue if we can also please send
13 another letter to DPW there is serious water
14 runoff issues that need to be addressed.

15 It was brought up again tonight, and
16 I have to tell you, I know we've had several
17 caucuses and several discussions, but people
18 are still complaining and upset with what
19 they believe and what I believe to be the
20 shoddy work on pave cuts throughout the city
21 and around manhole covers throughout the
22 city, so I don't know how to change that
23 other than to enforce the laws that are
24 already in the books, but again, I get more
25 complaints about that than almost anything

1 else on a daily basis.

2 We are still waiting on a response
3 from our city engineer and our DPW regarding
4 water runoff issues in the 900 block of
5 Clearview Street. Councilman Wechsler and I
6 attended an East Mountain neighborhood
7 meeting last night. Residents were
8 concerned about drugs at Robinson Park among
9 other issues, so Councilman Wechsler and I
10 are working on -- one of the things that
11 came out of the meeting was signage up there
12 for rules of the park and different things
13 of that nature, so we are not sure if we
14 need legislation for that to do it at all
15 city parks, but we are going to be asking
16 our solicitor to investigate that.

17 There were also complaints of
18 several street lights out in that area and
19 there is still one out on Froud Avenue so
20 we'll be forwarding that information to the
21 appropriate departments.

22 I'd also like to ask that, again, we
23 set up a public caucus with ABM and NDC
24 regarding the parking garages. Most likely
25 we will have to do that in September, that's

1 what I'm hoping for. I'd like an update on
2 their progress, where they are now, where
3 they are going to be next year. It's been a
4 year since we have completed that
5 transaction so I think that would be
6 appropriate. We did receive an update from
7 the Business Administrator that the Linden
8 Street garage elevator is operational at of
9 July 10 and work on the Washington Avenue
10 elevator will be done shortly.

11 It was brought up again tonight
12 about the sale of the Sewer Authority and I
13 remain deeply and seriously concerned about
14 many aspects of the sale, specifically, as
15 was mentioned tonight and was talked about
16 last week, the payment of \$200,000 to Ned
17 Abrahamsen as special counsel to the City of
18 Scranton in the sewer sale transaction and
19 also \$200,000 for the Parking Authority
20 transaction again as special counsel and I'm
21 still trying to get my hands on
22 documentation for that.

23 My concern with this is I had
24 previously stated, and after we received an
25 opinion from Solicitor Minora, are that the

1 mayor and Mr. Shrive hired Mr. Abrahamsen
2 with no contract, no letter of engagement,
3 no documentation of what work he would be
4 doing, no documentation of what work he did,
5 no paper trail whatsoever. I believe that
6 the mayor and Mr. Shrive, whether legal or
7 not, circumvented this body, city council,
8 which is supposed to be a check and a
9 balance to the mayor's office. We approve
10 almost every hire, and it doesn't seem right
11 to me that the mayor gets to arbitrarily
12 hire someone who happens to be a major
13 campaign donator for \$400,000 of taxpayer
14 and ratepayer money.

15 I again ask how did Mayor Courtright
16 and Mr. Shrive arrive at the \$200,000
17 figure. Was it bid out? No, it wasn't.
18 Was it based on an hourly rate or percentage
19 of the sale? Apparently not. Was the
20 figure pulled out of thin air? It sure
21 seems that way. The mayor and Mr. Shrive
22 have said that they believe that \$200,000
23 payment was a reasonable amount. My
24 question again is a reasonable amount to
25 who? The average income per person in the

1 City of Scranton is \$20,351 a year.

2 Mr. Abrahamsen made \$20,000 a month. Again,
3 no paper trail.

4 I would remind Mayor Courtright and
5 Attorney Shrive that this is not Monopoly
6 money. Now, I'm not saying that
7 Mr. Abrahamsen didn't do anything, I'm not
8 questioning his professionalism or his
9 ability, but if you going to pay somebody
10 \$200,000 for one transaction and \$200,000
11 for another and you have no contract, no
12 paper trail, that in my opinion is bad
13 government.

14 Again, how can there be no
15 documentation, no paper trail, especially we
16 are not talking about 5,000, 10,000, we are
17 talking about \$200,000 here. I tried to
18 take my broken weedwhacker back to Lowe's
19 the other day. I was turned away because I
20 couldn't produce a receipt. I'm just an
21 average Joe, but Mr. Abrahamsen does not
22 have to produce a single sheet of paper that
23 shows an engagement, when he was hired, or
24 what he did. It makes no sense to me.

25 I would like to officially call on

1 Mr. Abrahamsen to return the \$400,000 that
2 he made off the parking and sewer
3 transactions to the ratepayers until he can
4 provide documentation for the work that he
5 performed, and I think it's only fair.

6 I would also remind the public, and
7 specifically the mayor and Mr. Abrahamsen
8 and everybody else, that the City of
9 Scranton has a Code of Ethics. It's in the
10 Home Rule Charter and Administrative Code,
11 Article VII, Section 701, I'd like to read
12 it for a second. "Declaration of Policy.
13 The proper operation of representative
14 government requires that public officials
15 and employees be independent, impartial, and
16 responsible to the people. That government
17 decisions and policy be made in the best
18 interest of the people, the community and
19 the government, that public office not be
20 used for personal gain and that the public
21 have a confidence in the integrity of it's
22 government."

23 It's clear to me after watching
24 everything that has gone on in the past year
25 that the public does not have confidence in

1 its local government and it certainly does
2 not have confidence in the integrity of the
3 sale of the Scranton Sewer Authority. I
4 would again call on mayor Courtright and
5 members of the Sewer Authority board to
6 invite the Auditor General in to audit the
7 sale of the Sewer Authority. I think it is
8 the right thing to do in light of everything
9 that has gone on over the past six months.

10 I'd also like to make a request that
11 city council send a letter similar to an
12 attorney Mr. Damian Lehorn did recently
13 asking Paul Killian, Chief Counsel of the
14 Disciplinary Board of the Supreme Court of
15 Pennsylvania to weigh in on the legal
16 questions surrounding the Sewer Authority
17 sale, specifically, whether or not it was
18 ethical or legal for the mayor and
19 Mr. Shrive to hire Mr. Abrahamsen as special
20 counsel for two transactions totaling
21 \$400,000 of ratepayer/taxpayer money with
22 absolutely, as far as I know, no paper
23 trail.

24 Specifically, in Mr. Lehorn's letter
25 he asked for a request to review and

1 investigate attorney conduct related to 50
2 attorneys and \$3.1 million in attorney fees
3 involving public sales of Scranton Sewer
4 Authority to Pennsylvania American Water
5 under Pennsylvania attorney Rules of
6 Professional Conduct. So I would like to
7 ask our solicitor to review these specific
8 statutes and see how we will compose that
9 letter and I'll request that my colleagues
10 would agree.

11 On a somewhat separate but related
12 note, I have questions regarding the city's
13 Board of Ethics which I just read Section
14 01. When I looked at the Code of Ethics in
15 the city's Home Rule Charter, there are
16 supposed to be five board members and I have
17 specific questions about some of the
18 appointments. We have, as far as I can see,
19 five appointments that are outdated. We
20 have one appointment that expired on July
21 12th of 2014, one that expired July 12th of
22 2015, July 12th of 2016, and the two most
23 recent ones expired yesterday, July 12. So
24 my question is why hasn't the administration
25 appointed anyone to this board. When is the

1 last time this board has met on a formal
2 complaint. And, also, this board was
3 created nearly 40 years ago in 1978
4 according to the legislation, so I would
5 like our solicitor to review the
6 legislation, to review the rules of the
7 board and see if we need to update those
8 rule in light of everything that has gone
9 on. And that is all I have for tonight.
10 Thank you.

11 MR. WECHSLER: Thank you, Mr.
12 Gaughan. In regards to the problems with
13 the expired registrations on license plates,
14 the city does have possession of a license
15 plate reader. It's new technology that's
16 being utilized by police departments and I
17 believe that Chief Graziano, I think we have
18 at least one, so that should be able to be
19 used in regards to this problem of expired
20 registrations.

21 This evening there was a comment
22 made about Business Administrator Dave
23 Bulzoni working illegally. City council
24 approved the waiver for Mr. Bulzoni so
25 Mr. Bulzoni is not working illegally for the

1 city. He was granted a waiver.

2 I would like to thank our office
3 today for providing a quick response to a
4 resident from South Side who was having a
5 problem with construction vehicles. Our
6 office responded quite quickly and hopefully
7 that matter will be taken care of tomorrow.
8 And that's I have at this time.

9 MS. REED: 5-B. FOR INTRODUCTION -
10 AN ORDINANCE - ADOPTING AND IMPLEMENTING THE
11 ACT 47 EXIT PLAN FOR THE CITY OF SCRANTON
12 PURSUANT TO THE FINANCIALLY DISTRESSED
13 MUNICIPALITIES ACT; AND AUTHORIZING THE
14 MAYOR OF THE CITY OF SCRANTON TO ISSUE AN
15 ORDER DIRECTING THE IMPLEMENTATION OF THE
16 ACT 47 EXIT PLAN WHICH WILL BECOME EFFECTIVE
17 UPON ADOPTION ATTACHED HERETO AS EXHIBIT "A"
18 IN ACCORDANCE WITH THE PROVISIONS OF 53 Pa.
19 C.S.A. §11701.245, THE MUNICIPALITIES
20 FINANCIAL RECOVERY ACT.

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

24 MR. ROGAN: So moved.

25 MR. EVANS: Second.

1 MR. WECHSLER: On the question? On
2 the questions I would just like to make a
3 comment. This evening we have heard several
4 complaints and criticism of the city and how
5 bad everything is going, but when I was
6 elected four years ago the city was facing
7 bankruptcy or receivership. For the people
8 that are in the know in the financial
9 community out in the real world that is no
10 longer an option for the city, bankruptcy or
11 receivership. So as much as we hear
12 criticism about what we have done here, if
13 anyone thought that we would be close to
14 being out of Act 47 when we took office four
15 years ago, I don't think many people thought
16 we would be in this position. So with my
17 colleagues here, some of them have been here
18 for the four years some of them have been
19 here for two or three, city council has been
20 responsible. City council has cooperated
21 and worked with the administration, with our
22 financial advisors, with PEL to bring the
23 city to a point where we are almost out of
24 distressed status.

25 And as Mr. Evans stated, there is

1 plenty of work to be done once we exit, but
2 this council and this administration has
3 brought the city to a place where we are
4 facing the possibility of having a bond
5 rating improved, we are out in the financial
6 markets getting better interest rates on our
7 loans. So, like I said, everything we get
8 here it sounds like we didn't do anything
9 good in the past four years, but I seriously
10 disagree with that. In going forward in
11 January, as was said, I won't be here, but
12 the work that I have done while I have been
13 here I feel that we have put the city in
14 better financial shape and whoever takes my
15 seat I am happy that I'm going to be
16 providing them with a much better start to
17 that person's career than the career that I
18 had here with what I faced when I took my
19 seat in 2014.

20 MR. GAUGHAN: Yes, I have one
21 comment on the question. I'm still
22 reviewing the revisions that were made to
23 the three-year exit plan, however, I would
24 like to ask my colleagues if they would
25 agree to invite the Pennsylvania Economy

1 League, along with Mr. Cross, into a public
2 caucus to answer questions that we might
3 have and also present the revisions to the
4 three-year exit plan. I don't know if we
5 can do that next week or in Seventh Order on
6 the 27th before we go on break.

7 MR. WECHSLER: All those in favor of
8 introduction signify by saying aye.

9 MR. PERRY: Aye.

10 MR. ROGAN: Aye.

11 MR. EVANS: Aye.

12 MR. GAUGHAN: Aye.

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

15 MS. REED: SIXTH ORDER. 6-A.
16 READING BY TITLE - FILE OF THE COUNCIL NO.
17 110, 2017 - AN ORDINANCE - CLOSING AND
18 VACATING A PORTION OF WRIGHT COURT BETWEEN
19 LINDEN STREET AND THE FORMERLY VACATED
20 PORTION OF WRIGHT COURT.

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

23 MR. ROGAN: I move that Item 6-A
24 pass reading by title.

25 MR. EVANS: Second.

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

3 MR. PERRY: Aye.

4 MR. ROGAN: Aye.

5 MR. EVANS: Aye.

6 MR. GAUGHAN: Aye.

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

9 MS. REED: SEVENTH ORDER. 7-A. FOR
10 CONSIDERATION BY THE COMMITTEE ON RULES -
11 FOR ADOPTION - FILE OF THE COUNCIL NO. 106,
12 2017 - APPROVING THE TRANSFER OF A
13 RESTAURANT LIQUOR LICENSE CURRENTLY OWNED BY
14 SCANLON, INC. T/D/B/A AS DUNMORE BREW HOUSE,
15 1400 WHEELER AVENUE, DUNMORE, LACKAWANNA
16 COUNTY, PENNSYLVANIA, LICENSE NO. R-1172 TO
17 NEPALI KITCHEN, LLC FOR USE AT 732 PROSPECT
18 AVENUE, SCRANTON, LACKAWANNA COUNTY,
19 PENNSYLVANIA AS REQUIRED BY THE PENNSYLVANIA
20 LIQUOR CONTROL BOARD.

21 MR. WECHSLER: As Chairperson for
22 the Committee on Rules, I recommend final
23 passage of Item 7-A.

24 MR. ROGAN: Second.

25 MR. WECHSLER: On the question?

1 Roll call, please?

2 MS. CARRERA: Mr. Perry.

3 MR. PERRY: Yes.

4 MS. CARRERA: Mr. Rogan.

5 MR. ROGAN: Yes.

6 MS. CARRERA: Mr. Evans.

7 MR. EVANS: Yes.

8 MS. CARRERA: Mr. Gaughan.

9 MR. GAUGHAN: Yes.

10 MS. CARRERA: Mr. Wechsler.

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

14 MS. REED: 7-B. FOR CONSIDERATION BY
15 THE COMMITTEE ON RULES - FOR ADOPTION -
16 FILE OF THE COUNCIL NO. 107, 2017 - AN
17 ORDINANCE - APPROVING THE TRANSFER OF A
18 RESTAURANT LIQUOR LICENSE CURRENTLY OWNED BY
19 JOAN HUDAK T/D/B/A SEVEN SISTERS TAVERN, 814
20 SUSQUEHANNA AVENUE, OLYPHANT, LACKAWANNA
21 COUNTY, PENNSYLVANIA, LICENSE NO. R-3527 TO
22 CFM BEER BRICK, LLC FOR USE AT 337 WEST
23 MARKET STREET, SCRANTON, LACKAWANNA COUNTY,
24 PENNSYLVANIA AS REQUIRED BY THE PENNSYLVANIA
25 LIQUOR CONTROL BOARD.

1 MR. WECHSLER: As Chairperson for
2 the Committee on Rules, I recommend final
3 passage of Item 7-B.

4 MR. ROGAN: Second.

5 MR. WECHSLER: On the question?
6 Roll call, please?

7 MS. CARRERA: Mr. Perry.

8 MR. PERRY: Yes.

9 MS. CARRERA: Mr. Rogan.

10 MR. ROGAN: Yes.

11 MS. CARRERA: Mr. Evans.

12 MR. EVANS: Yes.

13 MS. CARRERA: Mr. Gaughan.

14 MR. GAUGHAN: Yes.

15 MS. CARRERA: Mr. Wechsler.

16 MR. WECHSLER: Yes. I hereby
17 declare Item 7-B legally and lawfully
18 adopted.

19 MS. REED: 7-C. FOR CONSIDERATION BY
20 THE COMMITTEE ON FINANCE - FOR ADOPTION -
21 FILE OF THE COUNCIL NO. 108, 2017 - AN
22 ORDINANCE -AN ORDINANCE OF THE CITY COUNCIL
23 OF THE CITY OF SCRANTON, LACKAWANNA COUNTY,
24 PENNSYLVANIA, SETTING FORTH ITS INTENT TO
25 ISSUE ONE OR MORE SERIES OF GENERAL

1 OBLIGATION BONDS OF THE CITY IN THE
2 AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED
3 FORTY-ONE MILLION DOLLARS (\$41,000,000)
4 PURSUANT TO THE ACT OF THE GENERAL ASSEMBLY
5 OF THE COMMONWEALTH OF PENNSYLVANIA, KNOWN
6 AS THE LOCAL GOVERNMENT UNIT DEBT ACT, 53
7 PA.C.S., CHAPTERS 80-82, AS AMENDED AND
8 SUPPLEMENTED (THE "ACT"); FINDING THAT A
9 PRIVATE SALE BY NEGOTIATION IS IN THE BEST
10 FINANCIAL INTERESTS OF THE CITY; DETERMINING
11 THAT SUCH BONDS SHALL EVIDENCE NONELECTORAL
12 DEBT OF THE CITY; SPECIFYING THAT SUCH
13 INDEBTEDNESS IS TO BE INCURRED TO PROVIDE
14 FUNDS FOR A CERTAIN PROJECT OF THE CITY
15 WHICH CONSISTS OF THE FOLLOWING: (1)
16 CURRENTLY REFUNDING THE CITY'S OUTSTANDING
17 GENERAL OBLIGATION BONDS, SERIES B OF 2003;
18 AND (2) PAYING THE COSTS AND EXPENSES OF
19 ISSUANCE OF THE BONDS; SETTING FORTH THE
20 REASONABLE ESTIMATED REMAINING USEFUL LIVES
21 OF THE CAPITAL PROJECTS THAT ARE TO BE
22 REFINANCED BY THE BONDS; ACCEPTING A
23 PROPOSAL FOR THE PURCHASE OF SUCH BONDS AT
24 PRIVATE SALE BY NEGOTIATION; PROVIDING THAT
25 SUCH BONDS, WHEN ISSUED, SHALL CONSTITUTE

1 GENERAL OBLIGATIONS OF THE CITY; FIXING THE
2 DENOMINATIONS, DATED DATE, INTEREST PAYMENT
3 DATES, MATURITY DATES, INTEREST RATES AND
4 REDEMPTION PROVISIONS (IF APPLICABLE) AND
5 PLACE OF PAYMENT OF THE PRINCIPAL OF AND
6 INTEREST ON SUCH BONDS; AUTHORIZING
7 SPECIFIED OFFICERS OF THE CITY TO CONTRACT
8 WITH THE PAYING AGENT FOR ITS SERVICES IN
9 CONNECTION WITH THE BONDS; SETTING FORTH THE
10 SUBSTANTIAL FORM OF THE BONDS EVIDENCING THE
11 DEBT; AUTHORIZING EXECUTION AND ATTESTATION
12 OF SUCH BONDS; PROVIDING COVENANTS RELATED
13 TO DEBT SERVICE APPLICABLE TO SUCH BONDS TO
14 THE EXTENT REQUIRED BY THE ACT AND PLEDGING
15 THE FULL FAITH, CREDIT AND TAXING POWER OF
16 THE CITY IN SUPPORT THEREOF; CREATING ONE OR
17 MORE SINKING FUNDS IN CONNECTION WITH SUCH
18 BONDS, TO THE EXTENT REQUIRED BY THE ACT;
19 DESIGNATING THE PAYING AGENT TO BE THE
20 SINKING FUND DEPOSITARY; PROVIDING A
21 COVENANT TO INSURE PROMPT AND FULL PAYMENT
22 FOR SUCH BONDS WHEN DUE; SETTING FORTH
23 REGISTRATION AND TRANSFER PROVISIONS WITH
24 RESPECT TO SUCH BONDS; AUTHORIZING THE
25 EXECUTION OF ONE OR MORE INVESTMENT

1 AGREEMENTS BY SPECIFIED OFFICERS OF THE CITY
2 (IF APPLICABLE) AND THE PURCHASE OF CERTAIN
3 U.S. TREASURY OBLIGATIONS OR ANY OTHER
4 SECURITIES OR INVESTMENTS IN CONNECTION WITH
5 THE INVESTMENT OF PROCEEDS OF THE BONDS AND
6 THE REFUNDING OF THE CITY'S OUTSTANDING
7 GENERAL OBLIGATION BONDS, SERIES B OF 2003;
8 AUTHORIZING AND DIRECTING SPECIFIED OFFICERS
9 OF THE CITY TO DO, TO TAKE AND TO PERFORM
10 CERTAIN SPECIFIED, REQUIRED, NECESSARY OR
11 APPROPRIATE ACTS TO EFFECT THE ISSUANCE OF
12 THE BONDS, INCLUDING, WITHOUT LIMITATION,
13 THE PREPARATION OF A DEBT STATEMENT AND
14 BORROWING BASE CERTIFICATE, AND THE FILING
15 OF SPECIFIED DOCUMENTS WITH THE DEPARTMENT
16 OF COMMUNITY AND ECONOMIC DEVELOPMENT, ALL
17 AS REQUIRED BY THE ACT; DECLARING THAT THE
18 DEBT TO BE EVIDENCED BY SUCH BONDS, TOGETHER
19 WITH ALL OTHER INDEBTEDNESS OF THE CITY,
20 WILL NOT BE IN EXCESS OF ANY APPLICABLE
21 LIMITATION IMPOSED BY THE ACT; AUTHORIZING
22 PROPER OFFICERS OF THE CITY TO DELIVER THE
23 BONDS UPON THE APPROVAL OF THE DEPARTMENT OF
24 COMMUNITY AND ECONOMIC DEVELOPMENT; SETTING
25 FORTH CERTAIN COVENANTS PRECLUDING THE CITY

1 FROM TAKING ACTIONS WHICH WOULD CAUSE THE
2 BONDS TO BECOME "ARBITRAGE BONDS" OR
3 "PRIVATE ACTIVITY BONDS" AS THOSE TERMS ARE
4 USED IN THE INTERNAL REVENUE CODE OF 1986,
5 AS AMENDED (THE "CODE"), AND APPLICABLE
6 REGULATIONS PROMULGATED THEREUNDER;
7 AUTHORIZING THE PURCHASE OF BOND INSURANCE
8 (IF APPLICABLE) AND SETTING FORTH THE
9 PROVISIONS, IF ANY, REQUIRED TO BE INCLUDED
10 BY THE BOND INSURER; AUTHORIZING THE
11 EXECUTION OF A CONTINUING DISCLOSURE
12 CERTIFICATE AND COVENANTING TO COMPLY WITH
13 THE PROVISIONS THEREOF; AUTHORIZING THE
14 EXECUTION OF ONE OR MORE ESCROW AGREEMENTS
15 BY AND BETWEEN THE CITY AND THE ESCROW
16 AGENTS NAMED THEREIN IN CONNECTION WITH THE
17 REFUNDING OF THE CITY'S OUTSTANDING GENERAL
18 OBLIGATION BONDS, SERIES B OF 2003, IF
19 NECESSARY OR DESIRABLE; APPROVING THE
20 PREPARATION, USE AND DISTRIBUTION OF A
21 PRELIMINARY OFFICIAL STATEMENT AND AN
22 OFFICIAL STATEMENT BY THE PURCHASER IN
23 CONNECTION WITH THE MARKETING OF THE BONDS;
24 SETTING FORTH THE CITY'S INTENT TO PROVIDE
25 FUNDS TO REFUND THE CITY'S OUTSTANDING

1 FEDERALLY TAXABLE GENERAL OBLIGATION PENSION
2 FUNDING BONDS, SERIES C OF 2003 AND THE
3 CITY'S OUTSTANDING FEDERALLY TAXABLE
4 GENERAL OBLIGATION BONDS, SERIES D OF 2003;
5 AUTHORIZING THE EXECUTION OF ONE OR MORE
6 ESCROW AGREEMENTS BY AND BETWEEN THE CITY
7 AND THE ESCROW AGENT NAMED THEREIN IN
8 CONNECTION WITH THE REFUNDING OF THE CITY'S
9 OUTSTANDING FEDERALLY TAXABLE GENERAL
10 OBLIGATION PENSION FUNDING BONDS, SERIES C
11 OF 2003 AND THE CITY'S OUTSTANDING FEDERALLY
12 TAXABLE GENERAL OBLIGATION BONDS, SERIES D
13 OF 2003; AUTHORIZING THE EXECUTION OF ONE OR
14 MORE INVESTMENT AGREEMENTS BY SPECIFIED
15 OFFICERS OF THE CITY (IF APPLICABLE) AND THE
16 PURCHASE OF CERTAIN U.S. TREASURY
17 OBLIGATIONS OR ANY OTHER SECURITIES OR
18 INVESTMENTS IN CONNECTION WITH THE
19 INVESTMENT OF MONEYS WHICH WILL BE USED TO
20 REFUND THE CITY'S OUTSTANDING FEDERALLY
21 TAXABLE GENERAL OBLIGATION PENSION FUNDING
22 BONDS, SERIES C OF 2003 AND THE CITY'S
23 OUTSTANDING FEDERALLY TAXABLE GENERAL
24 OBLIGATION BONDS, SERIES D OF 2003;
25 PROVIDING WHEN THIS ORDINANCE SHALL BECOME

1 EFFECTIVE; AUTHORIZING AND DIRECTING THE
2 PREPARATION, EXECUTION AND DELIVERY OF ALL
3 OTHER REQUIRED DOCUMENTS AND THE TAKING OF
4 ALL OTHER REQUIRED ACTION; PROVIDING FOR
5 SEVERABILITY OF PROVISIONS; PROVIDING FOR
6 THE REPEALING OF ALL ORDINANCES OR PARTS OF
7 ORDINANCES INsofar AS THE SAME SHALL BE
8 INCONSISTENT HEREWITH.

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

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

15 MR. ROGAN: Second.

16 MR. WECHSLER: On the question?

17 MR. GAUGHAN: Yes, on the question.
18 First of all, I'm sure Mrs. Reed is glad
19 that that's the last time she is going to be
20 reading that. I have to vote "no" on both
21 of these pieces tonight. Let me first say
22 that I completely agree with the way in
23 which the administration is choosing to use
24 the proceeds. Paying down debt I think is a
25 good thing for the city. At last week's

1 caucus in the Governor's Room it was
2 explained in clear detail to myself and
3 Councilman Wechsler and Councilman Evans by
4 Mr. Bulzoni and Mr. Sheerer from PFM that
5 there will be a considerable savings to the
6 city, millions and millions of dollars. So
7 I am in agreement with what they doing.

8 However, I have concerns regarding
9 the following questions that have been posed
10 in the recent lawsuit and others that have
11 come before this council in the last few
12 weeks. The first is whether the Sewer
13 Authority has a legal existence after the
14 closing because the city council in
15 December, as was mentioned tonight, passed
16 an ordinance approving the termination of
17 the Authority as a step in accomplishing the
18 sewer sale, yet, as we know, the Authority
19 remains operational after the sale and
20 post-closing face.

21 Number two, whether the Authority's
22 transfer of sewer sale proceeds to the city
23 and the borough under the closing was done
24 properly if the Authority is not formally
25 dissolved.

1 Number three, when the Authority's
2 transfer of proceeds without first resolving
3 the contested easements was proper.

4 And, number four, which has been
5 brought up previously, but I don't think has
6 been clearly answered, is Chapter 56 of the
7 Municipality Act, I'm not to going read the
8 whole thing, but the gist of it is that the
9 money of the Authority may not be used for
10 anything other than the purpose that the
11 Authority existed for, other than a service
12 or project directly related to the mission
13 of the Sewer Authority and those articles
14 that were set forth in the articles of
15 incorporation and the resolution
16 establishing the Authority.

17 Again, I want to reiterate, I don't,
18 you know, like voting against this, but
19 until they questions and concerns are
20 cleared up I can't put my name on this, I
21 don't feel comfortable voting to expend any
22 of the proceeds from the sale until these
23 questions are cleared up, and I have asked
24 Attorney Minora to review these questions
25 and to put something in writing I would like

1 to have something to fall back on, so thank
2 you.

3 MR. WECHSLER: Yes, on the question,
4 one thing that we have learned as we sat
5 here for the past two years is that Scranton
6 is an executive form of government and as
7 such the mayor and the city solicitor are
8 tasked with deciding what is legal and not
9 legal for the city. I contacted the mayor
10 this week and I also contacted City
11 Solicitor Boyles and asked questions
12 regarding this matter. Ms. Boyles is of the
13 opinion that is completely legal that we can
14 use this money and as myself as a council
15 person I have to rely on what the city
16 solicitor tells us.

17 Also, if this is not passed this
18 evening the city will miss out on a \$1.5
19 million rebate. Also, we are going to miss
20 an opportunity to improve or rating out in
21 the financial community. We all shared
22 concerns about this deal, actually that's
23 why I voted "no" back in December because I
24 would have liked the Authority to be
25 completely dissolved and gone before all of

1 this took place but that did not happen.
2 The main reason being is that the Sewer
3 Authority has to remain open to handle the
4 litigation regarding the easements. The
5 easement issue was not handled properly when
6 that started, just another problem with this
7 whole arrangement, but, unfortunately, we
8 are have already moved forward on this, we
9 have already spent some of the money, we are
10 going to spend this money to redeem some
11 bonds and add some money to our budget.

12 I am concerned, there are some more
13 components of the budget of the proceeds
14 that are going to be allocated and hopefully
15 we have some reinforcement of the city
16 solicitor's position before we expend any
17 more of this money, but for myself I have no
18 other option based upon what she told me
19 this week than to vote "yes" for this.

20 MR. ROGAN: Very briefly regarding
21 the repayment of debt, one of biggest
22 problems that the City of Scranton has had
23 for decades is the amount of debt and the
24 amount of debt service and every tax dollar
25 that goes to pay off debt is one less tax

1 dollar that's being used to fix problems in
2 our neighborhoods, whether it be police
3 officers on the street, firefighters,
4 infrastructure issues. So I said for many
5 years we have to get the debt paid down,
6 particularly now where we can pay off some
7 debts, refinance our high interest debt to a
8 lower interest and really have a savings on
9 the budget that will benefit the taxpayers
10 two ways, one is in a lower tax bill or not
11 increasing your tax bill, I should say; and
12 secondly, is increased services. So I don't
13 ever think that will be day when I'll vote
14 against paying off debt.

15 MR. WECHSLER: Roll call, please?

16 MS. CARRERA: Mr. Perry.

17 MR. PERRY: Yes.

18 MS. CARRERA: Mr. Rogan.

19 MR. ROGAN: Yes.

20 MS. CARRERA: Mr. Evans.

21 MR. EVANS: Yes.

22 MS. CARRERA: Mr. Gaughan.

23 MR. GAUGHAN: No.

24 MS. CARRERA: Mr. Wechsler.

25 MR. WECHSLER: Yes. I hereby

1 declare Item 7-C legally and lawfully
2 adopted.

3 MS. REED: 7-D. FOR CONSIDERATION
4 BY THE COMMITTEE ON FINANCE - FOR ADOPTION -
5 FILE OF THE COUNCIL NO. 109, 2017 - AN
6 ORDINANCE - AUTHORIZING THE MAYOR AND OTHER
7 APPROPRIATE CITY OFFICIALS TO REALLOCATE A
8 PORTION OF THE PROCEEDS FROM THE SALE OF THE
9 SCRANTON SEWER AUTHORITY TO REFUND AND
10 REFINANCE THE CITY'S OUTSTANDING GENERAL
11 OBLIGATION BONDS, SERIES B OF 2003; AND
12 REFUND THE CITY'S OUTSTANDING GENERAL
13 OBLIGATION BONDS, SERIES C AND D OF
14 2003.

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

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

21 MR. ROGAN: Second.

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

24 MS. CARRERA: Mr. Perry.

25 MR. PERRY: Yes.

1 MS. CARRERA: Mr. Rogan.

2 MR. ROGAN: Yes.

3 MS. CARRERA: Mr. Evans.

4 MR. EVANS: Yes.

5 MS. CARRERA: Mr. Gaughan.

6 MR. GAUGHAN: No.

7 MS. CARRERA: Mr. Wechsler.

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

11 MS. REED: 7-E. FOR CONSIDERATION
12 BY THE COMMITTEE ON RULES - FOR ADOPTION -
13 RESOLUTION NO. 177, 2017 - APPOINTMENT OF
14 AJA E. WENTUM, 711 HARRISON AVENUE,
15 SCRANTON, PENNSYLVANIA, 18510 AS A MEMBER OF
16 THE HUMAN RELATIONS COMMISSION, EFFECTIVE
17 JUNE 23, 2017. MR. WENTUM WILL BE REPLACING
18 SUSAN BLUM CONNORS WHO RESIGNED ON JUNE 12,
19 2017. MR. WENTUM WILL FILL THE UNEXPIRED
20 TERM OF SUSAN BLUM CONNORS WHICH IS
21 SCHEDULED TO EXPIRE ON AUGUST 24, 2018.

22 MR. WECHSLER: As Chairperson for
23 the Committee on Rules, I recommend final
24 passage of Item 7-E.

25 MR. ROGAN: Second.

1 MR. WECHSLER: On the question?

2 Roll call, please?

3 MS. CARRERA: Mr. Perry.

4 MR. PERRY: Yes.

5 MS. CARRERA: Mr. Rogan.

6 MR. ROGAN: Yes.

7 MS. CARRERA: Mr. Evans.

8 MR. EVANS: Yes.

9 MS. CARRERA: Mr. Gaughan.

10 MR. GAUGHAN: Yes.

11 MS. CARRERA: Mr. Wechsler.

12 MR. WECHSLER: Yes. I hereby
13 declare Item 7-E legally and lawfully
14 adopted.

15 MS. REED: 7-F - PREVIOUSLY TABLED -
16 A RESOLUTION - AUTHORIZING THE MAYOR AND
17 OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE
18 AND ENTER INTO A CONTRACT WITH JAMES MORAN
19 BY AND THROUGH EXCEPTIONAL PAYMENTS D/B/A
20 RENTALORDINANCE.COM TO ASSIST THE DEPARTMENT
21 OF LICENSING, INSPECTIONS AND PERMITS WITH
22 THE CITY OF SCRANTON RENTAL REGISTRATION
23 DATABASE COMPILATION AND MANAGEMENT PROGRAM
24 FOR A THREE (3) YEAR PERIOD FROM THE DATE OF
25 EXECUTION WITH AN OPTION FOR A ONE (1) YEAR

1 RENEWAL EXTENSION.

2 MR. WECHSLER: As Chairperson for
3 the Committee on Rules, I recommend final
4 passage of Item 7-F.

5 MR. ROGAN: Second.

6 MR. WECHSLER: On the question?

7 MR. GAUGHAN: Yes, on the question.

8 I appreciate Mr. Moran coming in tonight and
9 giving the presentation and answering
10 questions. I am going to be voting against
11 this tonight for several reasons: Number
12 one, I don't -- I wasn't satisfied enough
13 with the answers to the questions and what
14 the presentation that this company, which is
15 basically run by Mr. Moran, is prepared to
16 take on this type of work, number one.

17 Number two, another concern of mine
18 is that this company has not performed
19 anything similar to what's in the proposal
20 in any other cities, so it seems like we are
21 going to be the guinea pig for this, which
22 I'm not comfortable with. I don't believe
23 that the details have been fleshed out
24 enough for me to be comfortable enough
25 voting for this type of thing. When

1 Mr. Moran said that in response to my
2 question about visual inspections he may
3 hire another employee, he may not, that's
4 not in the proposal, that's not nailed down,
5 that makes me uncomfortable.

6 The other thing is it I think a lot
7 of the things within the proposal the city
8 can do on its own and the two employees I
9 think are capable enough of doing that with
10 guidance from the Director of Licensing and
11 Inspections and Permits, so for those
12 reasons I'll be voting "no". Thank you.

13 MR. ROGAN: Just a couple of
14 comments on this as well. First of all, the
15 thing -- and I'm fully supportive of this
16 contract, I've been saying for many years
17 the rental registration program in the city
18 for decades has not worked. Hopefully this
19 will be one piece of the wheel to get things
20 moving in the right direction but in
21 response to some of what Councilman Gaughan
22 mentioned, what I like about this
23 legislation the best is that the firm
24 selected doesn't receive a dime unless they
25 produce results for the City of Scranton.

1 There is no flat fee, there is no -- you
2 know, there is no retainer, it's only based
3 on what's produced. Outside of council I
4 work in positions where if I don't produce I
5 don't get paid and that's what I really like
6 about this, and I do like the fact, too,
7 there were two firms that bid on this
8 contract, this firm was by far the lowest
9 bidder.

10 And, secondly, the aspect of a
11 visual inspection the other firm that bid
12 which, again, was much more expensive,
13 although, they have a larger staff they
14 don't have a local presence, so when it
15 comes to doing visual inspections,
16 particularly looking to see if a property
17 has three meters for electric on it or one
18 meter, an out-of-town -- that's something
19 that an out-of-town company certainly can't
20 do.

21 So because of those reasons and
22 specifically because of the fact that if
23 there is no performance there is no payment
24 I will be voting "yes" on this contract.

25 MR. PERRY: Yes, on the question,

1 and thank you, Mr. Moran, for coming in
2 today. It's going to be quite the
3 undertaking. The city is in desperate need
4 of this of this work that you are going to
5 be partake in, this task. You know, I share
6 some of the reservations that Councilman
7 Gaughan has as well, but I see a lot of
8 positives in this program. You know, this
9 is proposal is going to drive our rental
10 registrations which this city is in dire
11 need of and we just have too many regular
12 annual people signing in and taking care of
13 what they need to take care of and there is
14 just too many outside and off the books that
15 aren't doing it and I think this will be a
16 good cohesive unit and a team with you
17 working in tandem with the two officials
18 from the Licensing Department, and it's a
19 layer attack.

20 As we talked about today during
21 caucus, there will be on-site visual
22 inspections, which I think we all agree is
23 very important. You will be using
24 cross-references, easy for me to say, data
25 basis which hopefully can eliminate the

1 fiasco that we had when sent out the garbage
2 fee bills a couple of the months ago which
3 was a disaster. You will also be using some
4 tiplines to see if we can get some leads
5 that way. We will be rolling out our
6 sticker program which will be an asset.

7 The reservation that I have, which
8 Councilman Gaughan has, it's very big job
9 especially for a one-man operation, so my
10 advice to you would be once this program
11 gets off the ground and rolling if it does
12 get off the ground and rolling is that, you
13 know, don't hesitate to bring somebody
14 onboard if you need to because as Councilman
15 Rogan says this is a no cost to the city.
16 You only are going to get satisfied when you
17 find someone new on the books. You are not
18 going to get paid if someone is already on
19 the books reups next year, this is somebody
20 who -- it's new found revenue.

21 So with that said, I believe there
22 is a lot out there, there is more out there
23 than not, so I wouldn't shocked. I'd bring
24 some help onboard because I think once you
25 get into this, if you do, there will be

1 plenty of work for more than one set of
2 hands, but I would be voting for this.

3 MR. EVANS: On the question. As I
4 mentioned in the public caucus, I can't
5 emphasize this enough, operating this
6 program in-house has been a failed program
7 for almost 25 years, and not just failed, it
8 was an epic failure. Year in and year out
9 we see the same things happen, mismailings,
10 not enough registrations. We have had the
11 same people, probably the same couple of
12 thousand landlords paying every single year
13 for decades because they were the ones that
14 stepped up and actually registered their
15 properties, and we've had thousands and
16 thousands of properties go unchecked without
17 registration.

18 When I talk about the theory of more
19 paying less that's what we want to see
20 happen. We want to see more registrants and
21 ultimately paying a lesser fee because we
22 have more people registered instead of
23 having the same amount of people to less
24 paying more than we are now so I will
25 definitely be voting in the affirmative.

1 city, it's a huge city, 25 square miles of
2 the city so it's a lot for one person to do,
3 so I would advise getting someone on board
4 as soon as possible.

5 Roll call, please?

6 MS. CARRERA: Mr. Perry.

7 MR. PERRY: Yes.

8 MS. CARRERA: Mr. Rogan.

9 MR. ROGAN: Yes.

10 MS. CARRERA: Mr. Evans.

11 MR. EVANS: Yes.

12 MS. CARRERA: Mr. Gaughan.

13 MR. GAUGHAN: No.

14 MS. CARRERA: Mr. Wechsler.

15 MR. WECHSLER: Yes. I hereby
16 declare Item 7-F legally and lawfully
17 adopted.

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

20 MR. ROGAN: Motion to adjourn.

21 MR. WECHSLER: Meeting adjourned.

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C E R T I F I C A T E

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.

CATHENE S. NARDOZZI, RPR
OFFICIAL COURT REPORTER