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SCRANTON CITY COUNCIL MEETING

HELD:

Thursday, May 10, 2012

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:

JANET EVANS, PRESIDENT

FRANK JOYCE, VICE-PRESIDENT

ROBERT MCGOFF

PAT ROGAN

JOHN LOSCOMBE

NANCY KRAKE, CITY CLERK

JAMIE MARCIANO, ASSISTANT CITY CLERK

BOYD HUGHES, SOLICITOR

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

3 MS. EVANS: Roll call, please.

4 MS. MARCIANO: Mr. McGoff.

5 MR. MCGOFF: Here.

6 MS. MARCIANO: Mr. Rogan.

7 MR. ROGAN: Here.

8 MS. MARCIANO: Mr. Loscombe.

9 MR. LOSCOMBE: Here. Mr. Joyce.
10 Mrs. Evans.

11 MS. MARCIANO: Mrs. Evans.

12 MS. EVANS: Here. Dispense with the
13 reading of the minutes, please.

14 MS. KRAKE: THIRD ORDER. 3-A.
15 EMERGENCY SOLUTIONS GRANT PROGRAM (ESG)
16 SUBSTANTIAL AMENDMENTS TO THE 2011
17 CONSOLIDATED PLAN ANNUAL ACTION PLAN
18 SUBMITTED MAY 1, 2012.

19 MS. EVANS: Are there any comments?
20 In not, received and filed.

21 MS. KRAKE: 3-B. DEPOSITS MADE BY
22 THE SCRANTON SINGLE TAX OFFICE IN THE
23 AMOUNTS OF \$21,897.54 AND \$615,299.76 TO
24 FIDELITY BANK FOR THE 2012 TAN DEBT.

25 MS. EVANS: Are there any comments?

1 The only thing I would like to add to that
2 is currently that would leave approximately
3 \$500,000 that remains owed to Fidelity Bank
4 for TAN-A. Any other comments? If not,
5 received and filed.

6 MS. KRAKE: 3-C. TAX ASSESSOR'S
7 REPORTS, HEARING DATES APRIL 25 AND MAY
8 16TH, OF 2012.

9 MS. EVANS: Are there any comments?
10 In not, received and filed.

11 MS. KRAKE: 3-D. AUDIT STATUS FROM
12 ROBERT ROSSI & CO. RECEIVED APRIL 26, 2012.

13 MS. EVANS: Are there any comments?
14 In not, received and filed. Do we have any
15 clerk's notes this evening?

16 MS. KRAKE: No, Mrs. Evans.

17 MS. EVANS: Thank you. Mrs. Krake.
18 Do any council members have announcements at
19 this time? Councilman Joyce is unable to
20 attend tonight's meeting due to illness.

21 The eight annual Scranton/Lackawanna
22 County Armed Forces Veteran's parade will be
23 held on Armed Forces Day, May 19, 2012, at
24 11 a.m. in downtown Scranton. It will begin
25 at the Gino Merli Veteran's Center on the

1 corner of Mulberry Street and Penn Avenue,
2 travel south on Penn Avenue, east on
3 Lackawanna Avenue, and north on North
4 Washington Avenue to courthouse square.

5 Please bring your family and friends to this
6 enjoyable event and honor those both living
7 and deceased who have sacrificed and served
8 our country and all of us so well.

9 Members of the Leadership Lackawanna
10 County class will sponsor a family Zumba
11 fundraiser Sunday, May 20, from 2 to 4 p.m.
12 at the Scranton Civic Ballet Company, 234
13 Mifflin Avenue in Scranton. Donations of
14 \$10 will be collected at the door. All
15 proceeds benefit NEPA Kids Fit for Life.

16 And finally, on behalf of Scranton
17 City Council, I would like to wish all the
18 mothers in our community a very blessed and
19 Happy Mother's Day. I particularly wish my
20 own dear mother, who is my best friend, my
21 first teacher and my role model, a very
22 happy Mother's Day. I love you, mom. And
23 that's it.

24 MS. KRAKE: FOURTH ORDER. CITIZEN'S
25 PARTICIPATION. Our first speaker this

1 evening is Bernie McGurl.

2 MR. MCGURL: Good evening, Council.
3 Bernie McGurl, 525 Taylor Avenue, and I'm
4 here tonight as the executive director of
5 the Lackawanna County River Corridor
6 Association to talk about disconnecting our
7 downspouts, File of Council No. 19 of 2006
8 instructs all of the residents of Scranton
9 to disconnect their downspouts that take
10 their rain litters from their rain gutters
11 down. In our older homes they are often
12 connected to cast iron drains around the
13 perimeter of their house. Those are
14 connected to our sanitary sewer system so
15 every time it rains all of that excess storm
16 water from our roofs is going into the
17 sewers and it adds to the sewer overflows
18 that adversely affects the river.

19 So we are working with the Sewer
20 Authority and we have published a Lackawanna
21 County River Clean booklet and I have copies
22 for council, and there is also some
23 additional information I'm going to talk
24 about real fast and --

25 MS. EVANS: May I take the extra

1 copy for Councilman Joyce? Thank you.

2 MR. MCGURL: And we are actually
3 conducting a downspout disconnection
4 workshop to show how simple it might be for
5 someone with a moderate level of skills to
6 disconnect their own rain gutters and
7 discharge them out into their garden and we
8 are having a downspout disconnection
9 workshop at 2416 North Main Avenue this
10 Saturday morning at 10:00, from 10 until
11 noon, and the coffee is on us, well, for a
12 limited number of people, but we will have a
13 jug of coffee, and we will show you how to
14 disconnect your litters.

15 We have several other booklets in
16 this series. We have only published the
17 downspout disconnection booklet, but we also
18 have booklets on our website that anyone can
19 download related to building a rain garden
20 in your yard, using and installing a rain
21 barrel or developing a soakage trench for
22 somewhere in your yard to dissipate that
23 rain water and get it to soak into the
24 ground on your property.

25 They are available on the LRCA

1 website at www.LRCA.org and they are also
2 available on the Scranton Sewer Authority
3 website at www.ScrantonSewer.org, and we
4 would be available, our phone numbers are
5 listed on our website, and if anyone has any
6 questions about the downspout disconnection
7 program they can give us a call and we will
8 try to provide whatever technical advice we
9 can.

10 We will be conducting a couple of
11 other workshops later in the summer. We are
12 looking to do one over in the Hill Section,
13 one over in South Side and one in the Hyde
14 Park as well.

15 We are also putting on Riverfest
16 this year, and it's normally the Saturday
17 before Mother's Day so we would be hectic
18 preparing for it, so we moved it into June,
19 so it's going to be held on Saturday, June
20 9, and there is details about that on our
21 website as well and I have provided council
22 with a copy of our newsletter and
23 registration information in there. People
24 can register by going to www.LRCA.org. If
25 they would like to participate in the canoe

1 race you need to rent a canoe or you can
2 bring your own, but that's an athletic event
3 and we actually launch it, there is two
4 launch points in Archbald and Blakely and
5 then the path comes down to Scranton. That
6 goes on in the morning. The finish line is
7 setup on the flood control levy at Olive
8 Street and that activity goes pretty much
9 from about 11:00 in the morning until 5:30,
10 6:00 in the evening. We will have the
11 showmobile there. There will be several
12 bands. We have a duck race in the
13 afternoon.

14 And this year we are bringing back
15 the regatta and I want to encourage everyone
16 the regatta is free. You can come down and
17 register for it that day and you can tell us
18 you are going to have an entry in the
19 regatta. We want people to get their
20 canoes. Make something that floats. Get a
21 boat, anything that's not motorized. We are
22 going to be launching the regatta a little
23 bit upstream just off Popular Street and get
24 it decorated, put a costume on, we will be
25 giving prizes that will be hopefully some

1 cash prizes and also some gift certificates
2 to local businesses. And that's the
3 favorite part of the race for me because we
4 have already pulled out the canoeist and
5 canoes who have crashed through the white
6 water in the Up Valley and we can relax at
7 the end of the day and have a little bit of
8 fun, so I want to invite everyone to that
9 and we look forward to having a safe and fun
10 Riverfest this year.

11 Thank you, and I have some booklets
12 for any members of the audience tonight who
13 would like them as well.

14 MS. EVANS: Very good.

15 MR. MCGURL: Thank you, Council

16 MS. EVANS: Thank you very much.
17 Andy Sbaraglia.

18 MR. SBARAGLIA: Andy Sbaraglia,
19 citizen of Scranton. Fellow Scrantonians,
20 I'm here on your agenda items here, your
21 5-B, the surcharge on the taxes. Exactly
22 why do we have a surcharge on our taxes
23 under 5-B and then similar legislation in
24 6-A to pay off that shortfall?

25 MS. EVANS: Actually, the

1 legislation, the order, is for the tax
2 increase that was Court ordered to pay for
3 the unfunded debt borrowing for the Year
4 2011, so that particular piece of
5 legislation is going to be put into place,
6 that tax increase, which I believe won't be
7 levied though until 2013.

8 And our council solicitor is
9 actually the person who developed the
10 formula on which the tax increase will be
11 based, however, we won't know what the final
12 tax increase will be for the unfunded debt
13 borrowing until all of the items in 6-A have
14 been accomplished, that being, you know,
15 well, actually, I believe it's M & T Bank
16 who will be purchasing -- I'll let the
17 attorney explain -- or Solicitor Hughes, if
18 you want to explain to Mr. Sbaraglia how
19 that will work, that M & T Bank will
20 actually purchase the bonds and then it's a
21 private purchase.

22 MR. HUGHES: Well, it's really M & T
23 Securities is the placement agent. What
24 happens is this is a private offering
25 pursuant to the Securities Exchange Act,

1 actually 20144, and the Securities Exchange
2 Act of 1933. This will go to qualified
3 investors so that there will not have to be
4 a registration of the public offering
5 pursuant to the Securities Act of 193. What
6 will happen is the placing agent has a list
7 of eligible qualified buyers that have to
8 meet certain financial capabilities or
9 certain financial requirements, most are
10 institutions. They will place them, they
11 will actually price them on the closing date
12 and then it will be a private place that
13 they will then place it with qualified
14 investors on that date if they are brought.
15 All the bonds will be sold.

16 As I read it in the placement
17 agreement, there is no required minimum so
18 they could, if they don't sell them all on
19 the closing date, they would have an
20 inventory that they could sell afterwards or
21 at the could say that, "We are not going to
22 sell this series."

23 I think probably what they would do
24 would to be sell all of the series, Series
25 A, Series 2012-A, that's for the unfunded

1 debt, that's the 9.75 million and there is
2 the bond ordinance that once that's priced
3 and we know what it is then next year there
4 will be a dedicated ordinance or millage to
5 pay for that bond issue each year and that
6 money will not go into the general fund, it
7 will have to be segregated.

8 An example would be that suppose
9 that the -- I don't know what the millage is
10 this year, but whatever the millage is that
11 next year if cuts are made and the mandatory
12 increase for the 2012-A Series let's say 10
13 mills, but if the budget comes in this next
14 year and there is cuts made and it would be
15 the same millage next year as this year then
16 that millage would go into a lockbox
17 strictly to pay for those bonds, so it's
18 conceivable that there might not be any tax
19 increase.

20 If it comes in that the budget year
21 that's adopted for the operating budget
22 without this bond would be the same millage
23 as this year and it's going to increase --
24 it's going to require ten mills, we'll say,
25 and I'm just speaking hypothetically, then

1 the total, you know, amount of millage would
2 be 110 and 10 percent of that when the tax
3 collector gets it he will have to in
4 accordance with the formula put that money
5 into a separate lockbox to pay for the
6 bonds.

7 MR. SBARAGLIA: Okay. Are we
8 referring to the "A" 6-A bonds?

9 MS. EVANS: Yes.

10 MR. SBARAGLIA: When you pass the
11 6-A that's going to be for 26 point some
12 million?

13 MR. HUGHES: No, that's the maximum
14 amount.

15 MR. SBARAGLIA: I realize that, but
16 if you know anything about -- well, you
17 should know that. Whatever you borrow it's
18 double what we have to pay back.

19 MR. HUGHES: It depends on the
20 interest rate. It depends on the interest
21 rate.

22 MR. SBARAGLIA: But it doesn't work
23 out any different. If you look at anything
24 we ever borrowed the rule of them thumb just
25 double it and that's close to what we are

1 going to be paying, so 26 million will
2 probably cost us, whatever it is, will cost
3 us close to 40 million or 40 some million
4 more borrowing that we have to pay back.
5 And that's not counting the 30 million or 30
6 plus or 30, 40 or whatever we are going to
7 borrow for the police and fire.

8 Can the city afford to do all of
9 this borrowing is the basic question? Can
10 we afford it or can we not afford it? You
11 are talking about a tax increase, there is
12 no question about it. If you couldn't pay
13 back the 203 bonds, we didn't have the money
14 to pay them back, how are we going to pay
15 these other bonds? It's not realistic to
16 expect the people of Scranton to pay for all
17 this borrowing. I know we deserve what we
18 get, after all we put these people in
19 office. I don't blame anybody but
20 ourselves. I didn't vote for a lot of them,
21 but as a whole we have to accept it.
22 People, I keep saying, why didn't you use
23 your brain instead of your name or your
24 party when you voted? But they can't get it
25 through their head, of course, now we are

1 going to pound it into their head, maybe
2 they will finally wake up when they find the
3 tax man knocking on the door saying you got
4 to pay 20 percent increase or whatever,
5 eventually it's going to be 100 percent,
6 there is no way we can pay off all that debt
7 without a huge, huge increase in taxes
8 because you still have to run the city no
9 matter what.

10 Ten years out we are going to still
11 be borrowing to run the city and on top of
12 all of this other borrowing it's going to be
13 a burden that's going to crush the taxpayers
14 of this city and to go out and ask somebody
15 that lives in Dickson City or anywhere else
16 to help pay for our incompetence that's
17 ridiculous. We deserve what we get. There
18 is no question about it. We voted for these
19 people, we deserve it, but don't ask the
20 people of Dickson City and Taylor or Dunmore
21 to join in our fiasco. We did it, no one
22 else. Thank you.

23 MS. EVANS: Thank you. Les
24 Spindler.

25 MR. SPINDLER: Good evening,

1 council. Les Spindler, city resident and
2 homeowner and taxpayer.

3 MS. EVANS: Good evening.

4 MR. SPINDLER: I want to talk what
5 Andy talked about, 5-B. I'm total against
6 it. I can't believe it's even on the
7 agenda. I thought city council was for the
8 people of this city, but to levy a tax for
9 ten years on this city is ridiculous. The
10 people of this city can't afford anymore
11 taxes. We are broke. There is people like
12 myself, many people like myself, that have
13 to work two jobs to try and make ends meet.
14 We can't pay anymore taxes. It's ten and a
15 half years of mismanagement by Chris Doherty
16 and we got to pay for it? This is wrong. I
17 hope city council votes this legislation
18 down.

19 Moving on, I have to agree with one
20 of the speakers from last week, I think this
21 rental registration ordinance is flawed. I
22 don't think single dwellings should be
23 included in this rental registration. I
24 know people that -- young people get married
25 and they might by a little starter house and

1 after awhile save money and rent out that
2 smaller house. I don't think they should be
3 included in this rental registration. I
4 think they should be for apartments of three
5 or more. You don't see absentee landlords
6 with single dwellings, it's big apartment
7 buildings, and I think this legislation or
8 ordinance should be updated because I don't
9 think it's right.

10 Sunday in the Doherty newsletter I
11 saw a story about the six city pools, they
12 have to install lifts for disabled people
13 now before they open. I could see no pools
14 opening in the city this summer. We are
15 broke. Where are we going to get money to
16 put handicapped lifts in all of the pools
17 for these people? I think the Nay Aug gorge
18 is going to be a busy place this summer
19 because I don't know -- like I said, we are
20 broke. How could we put handicapped lifts
21 in these pools?

22 May I approach, Mrs. Evans?

23 MS. EVANS: Yes. As I have stated
24 in the past, I think pit bulls are very
25 dangerous dogs and I have documentation to

1 back this up. Last weekend on MSNBC's
2 website there was a story, "Maryland Court
3 finds pit bulls are inherently dangerous.
4 The Maryland Court of Appeals declares pit
5 bulls as a breed that are inherently
6 dangerous and the owner of a pit bull or
7 crossbred pit bull that attacks is strictly
8 liable for damages as is any landlord who
9 rent to a pit bull or rents to a pit bull
10 owner."

11 And this story stems from a
12 situation where a young boy was attacked by
13 a pit bull and suffered life-threatening
14 injuries and it goes onto say different
15 things, but in Prince George County,
16 Maryland, pit bulls are banned. Now, they
17 are breed specific there, why can't we be
18 breed specific in this city and county?
19 They say we can't be breed specific, they
20 are in Maryland and I think it's a huge
21 Court decision and I think city council
22 should look into this. I have been asking
23 this for years and here is a precedent that
24 was set and I think we should go along with
25 this and see what happens.

1 Lastly, I have a question about this
2 proposed commuter tax, I have a coworker
3 that will be effected by this. She works
4 with me full-time and has another part-time
5 job in the city, will she have to pay taxes
6 on both jobs?

7 MS. EVANS: I would believe so, but
8 perhaps we could ask Solicitor Hughes?

9 MR. HUGHES: I didn't hear the
10 question.

11 MR. SPINDLER: I have a coworker
12 that works full-time with me and part-time
13 in the city, but doesn't live in the city,
14 will she have to pay that commuter tax on
15 both jobs?

16 MR. HUGHES: If she works full-time
17 outside of the city, no.

18 MR. SPINDLER: No, I'm sorry, in the
19 city. She lives outside of the city and
20 works two different jobs in the city, will
21 she be taxed on both jobs?

22 MR. HUGHES: We are talking about an
23 ordinance that hasn't been adopted, but
24 based on the fact that she is working in the
25 city at two different jobs she would have to

1 pay that as a commuter tax.

2 MR. SPINDLER: Okay.

3 MR. HUGHES: That's my opinion as
4 solicitor council, not solicitor for the
5 City of Scranton. That's up to the
6 solicitor's office.

7 MR. SPINDLER: Okay. Thank you.

8 MS. EVANS: Thank you. Doug Miller.

9 MR. MILLER: Good evening, Council.
10 Doug Miller, Scranton.

11 MS. EVANS: Good evening.

12 MR. MILLER: I, too, would like to
13 start on the agenda this evening with 5-B, I
14 do believe Mr. Sbaraglia said it best when
15 he said that the residents of this city
16 can't afford to carry any more of this debt.
17 We have left this mayor run the city rampant
18 for the last ten years, the fiscal
19 mismanagement and even the bailouts. You
20 know, we go onto 6-A, 26 million or whatever
21 it is going to be, the bottom line is it's
22 not good whatever it is. It's only going to
23 add to the over \$313 million in long-term
24 debt that we are in and it is just another
25 financial burden that we can't afford to

1 place on the residents of this city.

2 And, you know, I know we have four
3 watchdogs on this council and you have been
4 looking out for the taxpayers of this city
5 and I would just beg you tonight to continue
6 to do that. You know, we have a room full
7 of people here tonight who just can't afford
8 to take this on. We have people viewing
9 this meeting tonight, they can't take it.
10 It's adding on to my generation and, quite
11 frankly, at this point I wouldn't even
12 expect to stick around, I'm probably the
13 only foolish one that will, but I'm not
14 going to give up. I am going to stay here
15 and continue to fight.

16 Moving onto another issue that I
17 have been addressing here in recent weeks,
18 well, pretty much months now, is my
19 Right-to-Know request that I made regarding
20 the Nay Aug Park light show, requested an
21 electric bill to know the cost of the light
22 show, we had issues with lights being on at
23 all hours of the day and it just frustrates
24 me that in a city that's basically bankrupt,
25 that doesn't have two nickles rub together,

1 and yet we can leave lights on all hours of
2 the day and as I said, if we did that in our
3 homes and left lights on all day what would
4 our bills be at the end of the month. It
5 just doesn't make any sense.

6 Well, my first request was met with
7 no response so at that point I did contact
8 the open records office in Harrisburg in
9 when they advised me to submit a second
10 request and at that point in time I did do
11 that, last month. The Recreation Authority
12 and the business administration, Ryan
13 McGowan, who acts the open records officer
14 for the city failed to meet the time frame
15 and respond so now at this point what I'm
16 going to do is get in touch with the open
17 records office, I was in touch with them
18 today, and I'm now in the process of
19 appealing it. They will be held accountable
20 and they will answer my question once and
21 for all.

22 They are not going to hide, they are
23 not going to hide documentation, it's just a
24 simple request I made, you know, we had a
25 real difficult time seeking answers around

1 here and they need to be held accountable
2 and perhaps we should consider a mandamus
3 action and bring the Recreation Authority
4 forward and let them come forward publically
5 and answer questions. You know, the games
6 in the city have to stop. People need to be
7 held accountable and they will, I will make
8 sure of, and I will get a response and we
9 are not going to let this be swept under the
10 rug like things are typically around here.

11 Secondly tonight, I would like to
12 talk about the city pools. This has been
13 something that has been a concern for me for
14 quite sometime now. As you are all aware, I
15 did make a request that we contact Director
16 Dougher seeking a response as to what pools
17 would be in operation this summer. We never
18 did receive that response as usual, yet
19 again, another, you know, lack of
20 communication and just plain ignorance --

21 MS. EVANS: I'm sorry.

22 MR. MILLER: That's okay, but we
23 were made aware in the newspaper article
24 Sunday regarding the pools and last time I
25 was here I know Mr. Rogan had talked about

1 the ADA requirements and that those would
2 have to be put in place this summer, but I
3 just do want to add as a side note,
4 Mr. Spindler talked about it, it's my
5 understanding that as long as we do have
6 purchase orders in place by a certain
7 deadline we can open the pools that we plan
8 on opening this summer, which I believe are
9 Nay Aug Park, Connell Park, Weston Park and
10 Weston field.

11 But, you know, we again found out
12 that the Novembrino and Capouse Avenue pools
13 will be closed yet again this summer just,
14 you know, totally frustrates me and
15 infuriates me that now once again we are
16 depriving the children in west side and down
17 in Pinebrook the opportunity to swim. You
18 know, I can't tell you how many summers this
19 has to be for the kids in Pinebrook. This
20 is the second summer now at Novembrino.
21 Last year the response was, oh, we are
22 putting a splash park in which I have stated
23 many times I don't believe that was ever the
24 case. I think it was just a ploy to keep
25 people quiet over there and let them think

1 something was going on.

2 I do have concerns with Novembrino
3 at this time, Mr. Loscombe brought up a very
4 good point, there is still water in one of
5 the pools and so there is a liability.
6 There is a risk. God forbid one of the
7 children --

8 MR. MCGOFF: May I answer you on
9 that?

10 MR. MILLER: Go ahead.

11 MR. MCGOFF: They need to keep water
12 in it like you would on a home pool. If
13 they drain the pool completely, the ground
14 will create cracks in the foundation of the
15 pool and so they need the water so that it
16 stabilizes and prevents it from cracking.

17 MR. MILLER: Well, one thing I would
18 suggest then is we do when we shut our pools
19 down at a home you leave water in, cover it.
20 You put a cover on it and that's what we
21 should do. It shouldn't be left open like
22 that. It's still a liability whether you
23 got to leave water in or not then it should
24 be covered, but the bottom line is the pool
25 should be open.

1 You know, if we hadn't squandered
2 millions of the dollars throughout the last
3 ten years on legal fees and pet projects and
4 let KOZs and nonprofits get free rides we
5 would have the money and we would be able to
6 open these pools up and we wouldn't deprive
7 the children the opportunity to swim this
8 summer.

9 I was in contact with Mr. Quinn
10 today and the tax group and the Kids Swim
11 Free Program will continue this summer, but
12 I did discuss with him the proposal to take
13 a step further this year and provide
14 transportation for children in West Side and
15 Pinebrook and transport them to a pool in
16 the city so that they can swim and they
17 shouldn't sit throughout the summer in the
18 heat and, you know, just suffer this way.
19 It's not fair to them, they deserve it, and
20 we will to our best to make sure that these
21 kids do swim. If we want to make sure that,
22 you know, we have a new tomorrow for the
23 people in this city, we have to start that
24 tonight. Thank you.

25 MS. EVANS: Thank you.

1 MR. LOSCOMBE: Mr. Miller, just to
2 touch on a couple of things, after my
3 request at last week's meeting city council
4 had sent out a formal letter to Director
5 Dougher and Recreation Authority asking them
6 to appear at a public caucus here because we
7 do have many questions, some of which you
8 mentioned and we have some other issues we
9 would like to discuss with them, I don't
10 believe we received a response yet, but I
11 hope we do receive a timely response or, you
12 know, we'll have to take the next step.

13 MR. MILLER: Thank you.

14 MR. LOSCOMBE: Thank you.

15 MS. EVANS: Ozzie Quinn.

16 MR. QUINN: Good evening.

17 MR. LOSCOMBE: Good evening.

18 MS. EVANS: Good evening.

19 MR. QUINN: Ozzie Quinn, Taxpayers'
20 Association, Legion of Doomer and self
21 proclaimed soothsayer. You know, 2010 I
22 said we are 313 million in debt. 2010.
23 Unbelievable. We are still looking at 30
24 million for public safety awards that our
25 mayor thought that he could beat and we are

1 still looking at the audit, the OECD
2 Community Development Block Grant audit of
3 \$11 million, okay?

4 It's a sad day in the City of
5 Scranton and historically it's the worst
6 period in the history of the Scranton.
7 Mrs. Evans, you have never approved
8 borrowing. As a matter of fact,
9 Mr. Loscombe and Mr. Rogan hasn't either,
10 you always opposed it because you did not
11 approve of annual borrowing to feed the
12 mayor's visions and unbridled spending. You
13 believe that borrowing and refinancing must
14 be reserved for emergency situations.

15 Unfortunately, that time has arrived
16 thanks to the mayor, PEL, previous rubber
17 stamp city councils and the Scranton Times,
18 all of whom appear to have engaged in
19 financial mismanagement of our city, cannot
20 hope to meet its bond payments and final
21 obligations. I know you do not wish to see
22 the city collapse and undergo a state
23 takeover because it will lead to massive tax
24 increases and severe cuts in services,
25 particularly public safety.

1 The state undoubtedly will not allow
2 Scranton to file for Chapter 9 and it will
3 step in as an it did in Harrisburg. Council
4 is hoping that somehow or someday you will
5 be able to hand over a lot -- get a handle
6 on the city's debts. It is hope, it is not
7 faith. There is a big difference between
8 hope and faith. There is -- if I may, you
9 have faith in God you believe there is a
10 God. You hope God, you hope there is a God,
11 okay, that's the difference. There is a big
12 difference and it means you can truly
13 believe it can happen if you have faith. I
14 know that you have much doubt thus you are
15 hoping to address our financial problem that
16 Doherty has put on our laps. You are
17 hoping. And that's a lot of hope for a city
18 of our size that's dwindling like it is.
19 It's a sad day.

20 You know, I'm a Legion of Doomer
21 because years ago the Scranton Times coined
22 that Legion of Doom for people who come up
23 here and spoke against the Doherty regime,
24 okay? And I say I'm a soothsayer because
25 now the Legion of Doomers said it was going

1 to come true and it came true, so the fact
2 is now I spoke to the Society of
3 Professional Journalism spokesmen, and when
4 I spoke to them -- and that's a society most
5 journalists are in and they go in there for
6 awards and have a Code of Ethics and
7 whatnot, okay? They felt that one newspaper
8 in town of ours is bad, it is really bad,
9 and they also told me that when the
10 newspaper publishers give financial
11 contributions to the mayor that's really
12 bad. It's bordering on if it's ethical or
13 not, okay, because you know they are going
14 to sway the stories towards the mayor and
15 try to get all of that information they can,
16 okay?

17 So that's why they twist and that's
18 why they put cartoons in the paper, in the
19 newspaper, to make people look like a bunch
20 of fools and that the Doherty regime is
21 right. Well, I think it's time that the
22 Scranton Times stop turning it's back on our
23 community and look at our community and
24 forget about the aristocratic Mr. Doherty,
25 all right? We got to look at the people in

1 the City of Scranton that are providing the
2 taxes here. We are looking at the low
3 income, high poverty rate. We are looking
4 at high senior citizen, we are looking at a
5 dwindling tax base. We cannot continue to
6 tax and tax and tax, and I know and I
7 realize the situation you are in and I have
8 to, and I don't care what happens, if it
9 weren't for that Scranton Times twisting and
10 turning and doing everything for Doherty for
11 the last ten years we would not be in this
12 position. They approve and bless every
13 refinancing and borrowing that he did along
14 with the rubber stamp council. Thank you.

15 MS. EVANS: Thank you. Ron Ellman.

16 MR. ELLMAN: Hello, Council.

17 MS. EVANS: Hello.

18 MR. ELLMAN: I hope you all saw this
19 Tuesday's paper about the tax exemptions, 10
20 or 12 paragraphs, but they sure carry a lot
21 of information and importance.

22 MS. EVANS: I'm actually going to
23 address that during motions tonight.

24 MR. ELLMAN: You know, it just shows
25 this little token, minute payment that we

1 get from them and they think they are doing
2 such a big favor, the University of
3 Scranton. Here this one, Brown University,
4 is giving \$4 million and going to going to
5 give them another 3 million a year. It said
6 over here in Boston that all of the colleges
7 and universities give \$34 million. All we
8 got here is bunch of parasites living off
9 the taxpayers, these nonprofits. It's a bad
10 thing you know.

11 I listen to people during the week
12 here and there, we are talking about the 26
13 million and the school board keeps talking
14 about the future of our children that they
15 won't have any future with the tax base, you
16 know, it's impossible. You know, it's no
17 secret that if 600 houses went up for
18 foreclosures and they are burned out and the
19 neighborhoods are going to pot and you saw
20 that yard near me, they just won't do
21 nothing. I got houses don't cut the grass,
22 they got cars parked in the lot. Five years
23 ago it was a nice neighborhood, you know,
24 and I am supposed to pay more in taxes.

25 Like I said, I got less police, less

1 firemen. I went by the station on North
2 Main the other day they had that big sign,
3 "Closed today." That's just heartbreaking
4 for people. It's not right when we are
5 paying more and getting so much less. Maybe
6 we can learn a lesson from the way they do
7 it in Wyoming County and some of these other
8 cities that are just getting state help
9 about forcing the colleges and universities
10 and nonprofits to do their fair share.

11 I don't mean to take on Andy
12 Jarbola, but I have had 10, 12, 15 people
13 over the past couple of weeks in
14 conversation wondering why there is no
15 action been taking against the school board
16 by this office. They are guilty of the same
17 crimes that went on Luzerne County and
18 nothing being said or done about them, like,
19 they tried to sweep it under the rug. I'm
20 not silly enough to take on Andy Jarbola,
21 but he should act upon this school board
22 taking the bribes like they have.

23 You know, I have people all the time
24 tell me I'm too cynical and all when I get
25 up here and I have a dear friend that said

1 that kind words are never forgotten, but
2 when you mess with someone's pocketbook it
3 makes you irritable, and that's what's
4 happening to me. I'm being attacked on all
5 sides with expenses that I can no longer
6 afford in relation to my house. And I told
7 you all I got a reverse mortgage. My house
8 only costs me like a 125 a month, 130. It's
9 everything else that it's, you know, like
10 the tax base and all it's just gotten so
11 much out of hand. I don't know.

12 You know, I got a little note here
13 about -- for you all. I don't know always
14 agree with council, of course, but I want to
15 give you my unquestionable respect and
16 support, you know, even though I don't agree
17 with you I might say things that sound
18 adverse, but I'm sure I'm not adverse to the
19 council. I think you are our last hope, I
20 don't know.

21 Jack, I was wondering if you heard
22 anything about the zoning board if they gave
23 them the building at 600 Wyoming.

24 MR. LOSCOMBE: I heard later today I
25 believe it didn't go through.

1 MR. ELLMAN: I just looked at the
2 paper today and I didn't see nothing. It
3 seems like we finally got somebody who wants
4 to pay taxes and the people are fighting it.
5 That's the kind of government we got. When
6 people don't vote we get a government like
7 this. Thank you.

8 MS. EVANS: Thank you. Gerard
9 Hetman.

10 MR. MCGOFF: Might I just -- I would
11 like to respond to one comment that was
12 made. I'm not here to defend the Scranton
13 School Board by any means, but there was no
14 one on that board ever accused of accepting
15 bribes. The article that was in the paper
16 had to do with campaign contributions, which
17 may have been a violation of their own Code
18 of Ethics, but it was not an illegal
19 activity, and to call it a bribe I think is
20 doing a disservice to the Scranton School
21 Board. Thank you.

22 MR. HETMAN: Good evening, Council.
23 Gerard Hetman from the Lackawanna County
24 Department of Community Relations. Just two
25 announcements this evening for council and

1 the city residents. First, on Friday, May
2 25, the Albright Memorial library will host
3 their annual "Swinging on the Vine" block
4 party event. The event takes place on the
5 500 block of Vine Street just outside the
6 Albright Memorial Library from 5 p.m. to
7 8:00 p.m. Tickets are \$15 in advance, and
8 they are available in advance up until 2:00
9 the afternoon of the event.

10 \$20 admission at the door. The
11 event will include cocktails, food, and live
12 music, which will be Paul LaBelle and the
13 exact change. Advance tickets are available
14 from the Albright Memorial Library, the
15 Nancy Kay Holmes branch on Greenrdige
16 Street, Wyoming Avenue, and also Library
17 Express at the Mall at Steamtown, and also
18 patrons must be 21 years of age or older to
19 enter that event. I have been at "Swinging
20 on the Vine" the last several years. It's a
21 very active, funny event, especially when
22 there is good weather, even when there is
23 not it's a great way to kick off the
24 Memorial Day weekend and it's a very active
25 event that brings out a lot of people to

1 downtown Scranton.

2 And I can say that the commissioners
3 and many other county government branches
4 and many people we work with are very
5 interested in involving people and bringing
6 people in and keeping people in downtown
7 Scranton to revitalize not just Scranton,
8 but Lackawanna County and that divergent
9 core in Scranton benefits all of Lackawanna
10 County. This is one event that does that.

11 And the other announcement that I
12 have is regarding another event which this
13 is I believe the third year for the annual
14 Arts on Fire Festival which takes place at
15 the Scranton Iron Furnaces. This will take
16 place the weekend of June 1, June 2, and
17 June 3. Friday, June 1, from 8:00 p.m. to
18 11 p.m.; June 2, Saturday, from 11:00 a.m.
19 to 7:00 p.m.; and finally June 3 from 11:00
20 a.m. to 5:00 p.m. there is a \$15 charge on
21 Friday night, June 1, \$15 in advance or \$20
22 at the door, and then Saturday and Sunday
23 there is no entry fee. This event that
24 features food and artists and vendors, live
25 music, entertainment for all ages, and

1 County. So two events. We have some
2 posters for you that we would like to leave
3 with you. I saw the Armed Forces Day
4 posters out there and, of course, we heard
5 your announcement, Mrs. Evans. We thank you
6 for that, and again, we look forward to a
7 very active and growing presence with the
8 Armed Forces Day parade next Saturday. So
9 if I may, I would like to leave these with
10 you. Can I just leave them here or do you
11 want me to bring them up?

12 MS. EVANS: You can give them to
13 Mrs. Marciano.

14 MR. HETMAN: That's all I have. As
15 always, I'll be available after the meeting
16 to answer any questions or issues related to
17 county government or council for any of our
18 citizens or residents. Thank you and have a
19 good evening.

20 MS. EVANS: Thank you. Richard
21 Yost. Dave Dobrzyn.

22 MR. DOBRZYN: Good evening. Dave
23 Dobrzyn, resident of Scranton, taxes paid.

24 MR. LOSCOMBE: Good evening.

25 MR. DOBRZYN: Dog license bought.

1 She hasn't bit anybody lately. I always
2 tease the guy at the Dollar Store when he
3 runs out of chews I'm going to call the cops
4 because there are disappearing door to door
5 Evangelicals and they're constantly asking
6 so he has to get my chews.

7 Okay, on the tax increase and all
8 the borrowing, you know, we had an awful lot
9 of wage taxes lost and an awful lot of
10 property taxes that aren't being paid,
11 mainly because people fell on hard times
12 and, you know, I have to -- it's all
13 politics are local, but it's a small world
14 after all and if people keep losing jobs and
15 losing the better jobs and going back to
16 work for 25 percent less then we only have
17 ourselves to blame in this country for what
18 we have allowed and it gets into voting
19 because I have seen even, you know, public
20 employees, they -- I've sympathized with the
21 unions many times, but I have heard so many
22 and seen so many times where somebody is
23 wearing -- I think I complained to the
24 school board about a retired teacher wearing
25 a Herman K, but I mean what would that man

1 have ever done to straighten out the
2 financial situation of this country? I
3 mean, give me a job making pizza? I don't
4 think so. I'll pass on that. That's okay
5 if you are part-time and for something or
6 whatever, but I had a job packing pickles
7 once. That wasn't too much fun either. I
8 did.

9 Once again, I asked last week in
10 writing the percent of the tip fee per trash
11 as opposed to recycling and I'd like to be
12 able to show the people of Scranton that
13 they could save a lot of money by recycling
14 and hopefully post-inspection of street
15 excavations, water, sewer, gas and
16 communication because I think that's a lot
17 of our street paving problems and when my
18 friend Bernie was up he mentioned about
19 downspouts, well, we collect our rain water
20 and we use trash barrels and to keep the
21 mosquitoes down we get about 2 ounces of
22 vegetable oil and dump it on the top. My
23 wife was running our water bill crazy the
24 one summer on her garden, and on top of it
25 you are also paying to flush that water if

1 it goes through your meter because that's
2 what your sewer bill is based on, so you
3 could save a lot of money by doing that and
4 you it do garden, you know, you are actually
5 helping out the Sewer Authority and the city
6 and everybody else.

7 On voting, I'm still seeing a lot of
8 people I talked to a 93-year-old lady
9 Tuesday night and she didn't drive and she
10 was having to have a lot of trouble so I
11 have been trying to counsel them on what to
12 do and I give out phone numbers when I get
13 them on the phone, but this voting law is
14 basically, as far as I'm concerned if
15 it's -- if the Supreme Court doesn't declare
16 it unconstitutional some day they should
17 have their degrees revoked in law.

18 Don't forget, WFTE 105.7 and 90.3,
19 the unRush station, and the golden parrot/OT
20 goes to Comcast had week. Their CEO makes
21 \$26 million a year plus. Their Internet and
22 phone and television services without the
23 premium channels is \$147 a month. Don't
24 count on it, getting a job anymore if you
25 are unemployed without internet services

1 because everybody wants to it on-line.

2 And I seen this week also on the
3 news about manning political nonprofits.
4 Now, a nonprofit is not supposed to be
5 involved in politics and apparently these
6 people are listing their superpacks as
7 nonprofits and maybe the companies that are
8 donating to them are getting huge tax breaks
9 and declaring this on their taxes. I would
10 be careful of anybody that told me that I
11 could donate political money for a nonprofit
12 because the last thing in the world I would
13 want to be under the microscope or the IRS,
14 although, when they get an office they keep
15 laying off IRS workers so they probably
16 don't have to worry about being investigated
17 anyway, so your Comcast and political
18 nonprofits, bawk, bawk, bawk. Burn the
19 money before the poor break in and get it.
20 Have a good night.

21 MS. EVANS: Is there anyone else who
22 cares to address council?

23 MS. CHILIPKO: Good evening,
24 Council.

25 MS. EVANS: Good evening.

1 MS. CHILIPKO: Mary Chilipko,
2 resident of the Pinebrook Section of the
3 Scranton. Since I was here and made an
4 appearance last week I have had a load of
5 phone calls, so I can only handle a few
6 issues a night now that I seem to be a
7 regular here or I will be a regular here.

8 I actually -- I'm sorry I'm off on
9 some other issues tonight, I have a few
10 thank yous to pass around. Thank you again
11 to Jack Loscombe. Our small neighborhood
12 group had an excellent meeting Tuesday night
13 where down the field some of the bleachers
14 have been removed that we complained about
15 junking at the Pinebrook field. There has
16 been progress. The grass has been cut.
17 Magistrate Ware has offered two community
18 service groups to work with the neighborhood
19 association on two consecutive Saturdays to
20 help clean up down there. And then people
21 in the neighborhood and the softball league
22 can get involved with -- they've done some
23 of the painting of the backboards and some
24 new nets in the field.

25 Also, we had some police matters

1 that were brought up at the meeting, and I
2 can read from our liaison, Sergeant Jeffery
3 Vaughn. "A detail was directed in the
4 Pinebrook area following the meeting last
5 evening. Myself and Officer Mark Koslo were
6 assigned to the detail and made the
7 following arrests: Seven open container
8 arrests, one possession of a controlled
9 substance, one possession of a small amount
10 of marijuana, possession of a drug
11 paraphernalia, one public drunkenness, two
12 verbal warnings for trespass, one abandoned
13 vehicle tag, and four homeless camps
14 adjusted."

15 And right now the Scranton Police
16 Department is one of the best resources that
17 we in Pinebrook have so I really want to say
18 thank you for that, and that's in an area
19 that has really become a problem to our
20 neighborhood, and we have all the agencies
21 that are located near us and I don't want to
22 sound unkind or without compassion, but some
23 of the volunteers that come into the area
24 from other areas that volunteer for the
25 services should stick around for a few hours

1 after their buildings close, after the
2 social agencies close down there. It's not
3 a pretty sight.

4 Also, with me tonight actually is a
5 gentleman that we also spoke on an issue
6 last week of Mike Wallace and zoning and
7 permits. The gentleman was finally after a
8 year and thousands of dollars allowed to
9 open those rental units that I brought the
10 pictures of last week. I do believe you
11 also sent a letter for Mike Wallace to
12 appear before a caucus of council and he has
13 until May 21 to respond?

14 MR. LOSCOMBE: Yes.

15 MS. CHILIPKO: What do we do if he
16 doesn't? Like, they just don't? They don't
17 respond, they don't come here? They just do
18 what they want?

19 MS. EVANS: Well, council can't take
20 any corrective action in that we don't hire
21 and we have no authority to fire. In fact,
22 anyone in the employ of the city has to,
23 like it or not, receive the mayor's
24 permission to come before city council and
25 discuss problems with us.

1 MS. CHILIPKO: Okay. Thank you for
2 clarifying that so we'll wait and see, I'll
3 wait on it. I'll work on it. Last, as far
4 as pit bulls, I have a beagle and a basset
5 that have to go. I understand the city
6 raised the amount of the dog license fee
7 from \$9 to \$20 per dog, so I'm not sure yet
8 if my dogs are worth \$40. They will have to
9 prove it to me in the next week or so. How
10 do those fees get raised? Do they just
11 someone just decides in the office to raise
12 the fee?

13 MS. EVANS: They probably came from
14 the business administrator and would have
15 been included in the 2012 budget.

16 MS. CHILIPKO: Okay. They better
17 work hard at it. This is what I don't
18 understand, why does it come to literal
19 fighting and arguing to get people in the
20 city to do their jobs. The citizens that do
21 pay taxes that are involved in all of this
22 borrowing they have to fight and scream and
23 get lawyers and pay for lawyers to get
24 people to their jobs. That's where you know
25 something is wrong. And this Legion of

1 Doom, they are actually the optimists. They
2 really are. I was never a part of any of
3 this until it became time to come here.
4 That's about all I have to say.

5 And, Mr. McGurl, thank you. I don't
6 know you, but I live down near the river and
7 I know your dedication for years and it's
8 very more than admirable what you have done.
9 The river is coming back. There is much
10 activity down there. I see the change, I
11 see the change in the water, it's become a
12 pleasure to travel along the Lackawanna
13 river, so I want to thank Mr. Bernie McGurl.
14 Thank you, Council.

15 MS. EVANS: Thank you.

16 MR. LOSCOMBE: Mrs. Chilipko, just
17 you had asked the question if they don't
18 show or whatever, and again, as Mrs. Evans
19 stated, they have to get approval from the
20 mayor who I think should give every
21 administration person to appear before the
22 public that's paying their wages and they
23 represent, so if that doesn't happen it's an
24 insult to every taxpayer here, basically
25 thumbing their nose at you, so I would hope

1 that, you know --

2 MS. CHILIPKO: Should, can and
3 won't. That's what it amounts to. So we
4 have to start, the citizens here and more
5 and more citizens that I hope will start
6 coming to meetings, like me, I didn't
7 before, and have got to put pressure and
8 enforce these issues. We are not dummies.
9 We are not -- we choose to live here. I'm
10 not leaving it.

11 Oh, and I wanted to respond to Doug
12 Miller as well. We will certainly help in
13 any way to transport if they get a program
14 running with the poor kids. We are a low to
15 moderate area, I think 60 percent. We would
16 be glad to help with any transportation or
17 however we can get the kids to the swimming
18 pools because the mayor told me himself that
19 the Capouse Avenue pool will be filled in so
20 it won't be an option. So if we can help in
21 any way.

22 I think what I have heard tonight in
23 the past few weeks I admire a lot of these
24 people. Thank you. And council. Thank
25 you.

1 MR. LOSCOMBE: Thank you.

2 MR. UNGVARSKY: Good evening, city
3 council. I'm Tom Ungvarsky. I'm a member
4 of the Scranton/Lackawanna County Taxpayers'
5 group. I see where city council has assumed
6 the job of explaining the notes that the
7 city wants to borrow. I hope city council
8 realizes that they are also assuming the
9 blame. Since you and the mayor are co-equal
10 partners in the city, I think no vote should
11 be taken on any borrowing until the mayor
12 comes before city council and the people
13 here and explains how we got into debt and
14 what he plans on getting us out of debt.

15 Mrs. Evans, may I ask you a
16 question --

17 MS. EVANS: Yes.

18 MR. UNGVARSKY: -- seeing as
19 Mr. Joyce isn't here. Our TAN loan is
20 almost paid off, we only owe a half a
21 million dollars on it.

22 MS. EVANS: Yes.

23 MR. UNGVARSKY: Can you tell me if
24 that is a flat rate or is it a direct
25 reduction loan?

1 MS. EVANS: I don't know because I
2 don't have the backup with me.

3 MR. UNGVARSKY: Okay. If it's a
4 flat loan would we have to pay the interest
5 on it for a full year seeing as we only have
6 the money for a half a year, and if it's a
7 direct reduction loan we have been paying
8 that loan off since January and we have
9 never really had the full \$9 million that we
10 borrowed. Because of the payments that we
11 have been making, we really only had half of
12 that loan, \$5 million worth. If they are
13 charging us the full amount for the year and
14 it's not a direct reduction loan, boy, the
15 banks sure made out well on this.

16 But I believe that with the mayor as
17 co-equal or partners in the city, you should
18 not vote any, any loans until the mayor
19 appears here. Thank you.

20 MS. EVANS: Thank you. Is there
21 anyone else?

22 MS. SCHUMACHER: Good evening.
23 Marie Schumacher, resident and taxpayer. I
24 especially look forward to Fifth Order this
25 evening to learn the status of the

1 Rejuvenescence and other OECD loans from
2 Mr. Rogan, the outcome of the investigation
3 of the presumed rogue police officer from
4 Mr. Loscombe, and the suggestions of council
5 input to PEL for the revised Recovery Plan
6 from I guess Mrs. Evans as Mr. Joyce isn't
7 here tonight.

8 And I question, 6-B is totally
9 different from what was published and voted
10 on and introduced last week, so why isn't
11 this piece of legislation 5-D instead of
12 6-A? This is not what was voted on last
13 week. Is it not different?

14 MS. KRAKE: Did you say 6-B because
15 I don't see --

16 MS. SCHUMACHER: No, 6-A.

17 MS. KRAKE: And it's different as
18 far as?

19 MS. SCHUMACHER: Well, it seems all
20 of it. I can't find -- I mean, we didn't
21 talk last week, as a matter of fact, this
22 talk about arbitrage, and that was
23 specifically asked in the caucus, and they
24 said, no. It wasn't a private sale I don't
25 believe last week, was it?

1 MR. HUGHES: Of course it was. It's
2 always been a private sale.

3 MS. SCHUMACHER: It's always been a
4 private sale.

5 MR. HUGHES: It's the cheapest form
6 you can do.

7 MS. SCHUMACHER: Where is the part
8 about the bonds, the capital projects that
9 the bonds or the remaining life of the
10 capital projects? Is that --

11 MR. HUGHES: If you put that all in
12 there you might as well read the whole
13 ordinance, the whole 29 pages. This is just
14 a summary of the most -- of the areas of the
15 bond that is being introduced. All of those
16 other areas that you are mentioning are part
17 of these subtitles. You don't have to put
18 everything that's in there, you would have
19 to read the whole ordinance.

20 MS. SCHUMACHER: Okay.

21 MR. HUGHES: That's a caption of the
22 summary. What it entitled -- you know what
23 it entitles the city to borrow.

24 MS. SCHUMACHER: Thank you.

25 MR. ROGAN: Mrs. Schumacher, I

1 moved to the debt service. Usually debt is
2 refinanced to save money as homeowners do to
3 reduce their mortgage, and the Borough of
4 Dunmore recently did to save money, but it
5 was then I found the expenditures for
6 long-term debt service for the City of
7 Scranton for 2012 had been reduced by
8 \$5,566,000 from 2011, so the debt
9 refinancing in 6-A is really just a
10 smoothing out of the payments over time that
11 will cost us more, as has previously been
12 noted.

13 Without in debt refinancing our
14 structural deficit this year would be closer
15 to \$10 million, which is depressing. Not
16 yet known is how much further we will be
17 going into debt to pay our police and
18 firefighters for last year's Supreme Court
19 decision.

20 The majority of young adults must be
21 planning to move out of the city or else
22 they would be here in droves to complain
23 about the increasing debt. Either that or
24 they presume they will making big money so
25 that they will be able to pay their own

1 property taxes and perhaps help mom and dad
2 with their property taxes.

3 If our debt service wasn't so
4 costly, we could reduce or wage taxes and
5 become competitive with neighboring
6 communities. The reality appears to be I
7 will not live long enough to see this city
8 fully recover and is probably why a friend
9 of mine suggested recently that the "Welcome
10 to Scranton" sign as you enter the city from
11 the McDade expressway should be amended to
12 add Dante's quote, "All hope abandon Yee who
13 enter here."

14 Thank you.

15 MS. EVANS: Thank you.

16 MR. SLEDENZSKI: Jackie.

17 MR. LOSCOMBE: Hey, Chrissy, what's
18 up? No hat tonight?

19 MR. SLEDENZSKI: How is that, Jack?
20 Back farther or far enough up this way up.

21 MR. LOSCOMBE: Right about there.

22 MR. SLEDENZSKI: Right about here.
23 Look at my shirt tonight, Janet. Maroni's
24 Pizza, hey, Carmen, you are good cook. Keep
25 it up back there, will you?

1 MR. LOSCOMBE: Free pizza for Chris.

2 MR. SLEDENZSKI: Two trays, Jack.

3 MS. EVANS: Is there anyone else who
4 cares to address council?

5 MS. KRAKE: 5-A. MOTIONS.

6 MS. EVANS: Councilman McGoff, do
7 you have any comments or motions tonight?

8 MR. MCGOFF: Please. First of all,
9 I was reminded of two announcements as the
10 different speakers came to the podium.
11 First, the Scranton Celtic Festival is going
12 to be held at Snow Cove on Saturday, May 19,
13 and Sunday, May 20. It's a rather ambitious
14 effort on the part of the Irish Cultural
15 Society to put this on. They are going to
16 have a number of -- I think there is over
17 close to 50 different vendors that will be
18 there. Entertainment of the Celtic variety.
19 There will be, you know, a number of
20 different events taking place. Please check
21 the times. I did not have the time for the
22 beginning and end of the festival on each
23 day, but it sounds as though it's a -- like
24 I said, it's an ambitious effort and
25 hopefully will be successful and attract a

1 large number of people to the community.

2 And second, as I was reminded, the
3 groundbreaking for the newest addition into
4 the Lackawanna Valley Heritage trail it will
5 be held -- it will be the section from
6 Scranton to Taylor. I know that -- I think
7 the first year of the current council we
8 voted to, you know, offer assistance to --

9 MS. EVANS: Pay our portion of it.

10 MR. MCGOFF: Yes and --

11 MS. EVANS: Of the trail.

12 MR. MCGOFF: So that the newest part
13 of the trail will now be opened. The ground
14 breaking is Monday, May 14, at is 11 a.m.
15 There is free parking. It will start at the
16 Elm Street side of the part of the trail.
17 There is free parking available in the
18 parking of the Weiss Market parking lot and
19 it's located on South Washington Avenue for
20 -- sorry about that, for all of those who
21 are trail enthusiasts.

22 You know, another part of the trail
23 I know that it's been open now, runners and
24 hikers have taken advantage of it, we now
25 have a new section that will be available

1 and please come out to the ground breaking.
2 They are my two announcements.

3 And a couple of responses to things
4 that were mentioned last week and this week.
5 First, last week there was a lot said
6 about-- a number of things said about
7 condemnations, demolitions and
8 rehabilitation of homes in the Scranton area
9 and some people critical of it. From my own
10 knowledge of the rehabilitations that have
11 taken place, I believe that, you know,
12 through Lackawanna Neighbors we do have a
13 healthy rehab program. I know in South Side
14 I can find, you know, a number of, you know,
15 half a dozen homes that have been rehabbed
16 and are being put on the tax rolls.

17 Rehabilitation of properties is not
18 an easy thing to do, it can be very costly
19 and I think that we are attempting to rehab
20 those properties that are available for
21 rehab and as far as the demolition part of
22 it is concerned, we have talked about this
23 before, many of the properties that are
24 being demolished are not able to be
25 rehabbed, whether it's because of the

1 condition of the property that they are
2 beyond repair or too costly to bring up to
3 code so that they could be rehabbed. People
4 are not willing to do that.

5 When we were doing the rental
6 registration I talked to a number of people
7 about that that to bring condemned buildings
8 back to code it's just too costly and so
9 many of these properties that are being
10 demolished are being done because of that.

11 The other thing that we are finding
12 of demolished homes, many of them are on
13 properties that are too small to -- the
14 properties that are there are too small and
15 can't be rehabbed and they are too small,
16 the lots are too small to rebuild on and so
17 taking that vacant property or that vacant
18 building away is really a benefit to the
19 neighborhood rather than having something
20 that becomes a haven for whatever. It is
21 turned into -- and granted, I'm not looking
22 to inundate Scranton with vacant lots, but
23 in some cases it's a better solution than
24 leaving the building intact.

25 Also, last week a mention was made

1 of the DPW and the leadership of the DPW was
2 brought into question. I'd like to remind
3 people that in the 2012 budget we reduced or
4 we took out four supervisors from DPW along
5 with, you know, other positions. When you
6 reduce personnel it's probable that you are
7 going to have a reduction in services. I
8 don't think that there is any way around
9 that.

10 Right now the DPW operates -- the
11 responsibilities of the DPW are enormous.
12 Their primary responsibility is to, you
13 know, collect refuse. Most of the staff of
14 DPW is devoted to that at this point in time
15 and I believe, I know it's contrary to the
16 belief of some of the other -- my other
17 council colleagues, I believe that they do a
18 good job of collecting the refuse in the
19 city. I don't want to go to some type of a
20 privatization. I believe that our DPW does
21 a good job and goes above and beyond what
22 many other municipalities do in terms of
23 what they will pick up and what they will do
24 to help improve and keep our neighborhoods
25 clean.

1 We complain about the fact that they
2 are not responding to streets and potholes
3 and etcetera, you know, paving of the
4 potholes. I know that some of this has been
5 impeded not only by personnel, but also by
6 the cash crisis that we are in. We have
7 been unable in some cases to get materials,
8 to purchase the materials necessary to do
9 the repairs on the streets, and many of the
10 people in the past that have been working in
11 that department are now out collecting
12 refuse.

13 The Parks and Rec, we complain
14 about, you know, we look at the parks and
15 the pools, many of the people that were
16 devoted to that in the past, again, now are
17 devoted to the primary responsibility of the
18 DPW, again, collecting refuse. There is
19 nothing in the budget for, you know, the
20 casual summer help that in the past was used
21 to help maintain the parks and the pools.
22 We are looking at a reduction in services.

23 And the last thing DPW is
24 responsible for vehicle maintenance for
25 virtually every vehicle that the city owns

1 and so we want to complain about what they
2 do and yet the services that they provide
3 are many and I think in the long run we are
4 getting -- they are doing a very good job
5 of providing the services that we need in
6 this city.

7 Again, I realize that I have
8 disagreement with that, but I felt it was
9 necessary to bring some of that forward.

10 The other thing that I would like to
11 talk about last week it was mentioned about
12 the classification change with the city
13 classification change, and it was mentioned
14 that, and also the newspaper article also
15 mentioned that it was necessary to change
16 classification in order to implement a
17 commuter tax. That's not entirely correct.
18 The change -- as a 2-A city we can implement
19 a commuter tax as long as it's under an
20 approved Recovery Plan. The threshold for
21 implementing that is what would change.
22 There are different criteria for
23 implementing it as a 2-A city under a
24 Recovery Plan or implementing with a tax
25 under a 3-A city, but it is possible to

1 change. One of the things that was
2 mentioned was the possible -- it's probable
3 that you would have the elimination of the
4 Single Tax Office with the change in
5 classification, you know, are we looking to
6 do that? I think we need to explore what
7 the advantages and disadvantages of the
8 change may be before we tie it as an
9 absolute to what we want to do.

10 And, also, I don't know what the
11 process is for change of classification, but
12 certainly I don't think it's something that
13 just the council alone should do. I believe
14 that the change of classification should be
15 something that's up to the entire electorate
16 of the City of Scranton. And again, I'm not
17 sure whether that's included in the process
18 or not. I haven't really investigated it
19 that that closely.

20 And the last things, the Recovery
21 Plan, we are getting to -- I think we are
22 past crucial. The Recovery Plan is tied --
23 it's tied to the budget, to the 2012 budget
24 in such a way as we are almost obligated to
25 get to that now. The biggest thing right

1 now is that the revenue, the current revenue
2 stream for the city is tied to our unfunded
3 debt, and it would seem that right now the
4 unfunded debt is tied to the Recovery Plan
5 and if we are to the going to receive, you
6 know, the unfunded debt in the near future
7 we are looking at a pretty -- we are looking
8 at a very serious deficit shortly, one that
9 would necessitate, you know, some major kind
10 of revisions in this situation. I just
11 believe that our focus for the next -- as we
12 move forward we need to expedite our
13 treatment of the Recovery Plan and to get
14 that in place as soon as possible and so
15 that we can move forward with the unfunded
16 debt, with the refinancing, and with other
17 things that are included that would be
18 included in the Recovery Plan and that we
19 have included in the 2012 budget.

20 And lastly, I, too, would like to --
21 I would be remiss if I didn't wish happy
22 Mother's Day to everyone, to the mothers out
23 there, and also this Mother's Day I would
24 like to kind of a public congratulations to
25 my older sister who will be receiving her BA

1 degree from Marywood University on this
2 Sunday. Congratulations, and that's all.
3 Thank you.

4 MS. EVANS: Thank you and,
5 Councilman Rogan, do you have any comments
6 or motions?

7 MR. ROGAN: Yes. Thank you. First
8 off, I'll comment on a few of the things
9 Mr. McGoff said and a few of what the
10 speakers mentioned.

11 Regarding the Recovery Plan, there
12 are many ideas that have been brought up by my
13 members of council, by the mayor, by PEL
14 regarding the Recovery Plan. What the final
15 document is going to be, don't know yet.
16 What does concern me is if a document comes
17 down that has a lot of good in it, but if it
18 has one or two poison pills, for instance,
19 it could place a tax increase on the people
20 it's going to be very difficult to vote for
21 that as an elected official.

22 It's unfortunate that we can't take
23 it piece by piece approach. When we do it
24 all at once, an up or down vote on every
25 item in the Recovery Plan plan whether it be

1 you know, a tax increase, whether it be
2 privatization of the different services,
3 that each item would have a specific vote
4 instead of voting as a package. Just a
5 thought, you know. I have submitted my
6 suggestions and everyone else has, I'm
7 hopeful that it will b put together in a way
8 that can be agreeable to everyone. Judging
9 by the past history of PEL I don't think
10 that's going to be the case, but hopefully
11 we will get something together.

12 Moving on, the DPW was brought up
13 and I apologize for missing last week, I
14 don't know what the comments that were made
15 last week were, but I have been highly
16 critical of the DPW refuse division
17 specifically. I do believe it is
18 overstaffed. We made cuts, I believe it is
19 still overstaffed. I firmly believe the
20 city needs a efficiency study to see how
21 long it takes us to collect garbage and how
22 long it should take us to collect garbage
23 and how many men are needed to do that job.

24 Currently I still believe that many
25 members of the DPW are not working a full

1 day. Once the route is complete, which I
2 never complained about the routes not being
3 complete, they always get the work done,
4 there is not a question about that, the work
5 gets done, the question is is it being done
6 efficiency. If you are 100 men to a do job
7 that only takes 50, they are not the actual
8 numbers, but if you have a 100 men to do a
9 job that takes 50 and people say, "Oh, well,
10 our garbage gets picked up, everything is
11 great," but you are not looking at the
12 actual cost of could be. It could cost
13 twice as much as it could through a private
14 company or through the preferred option of
15 reforming our DPW.

16 It was mentioned once again about
17 the department heads not coming to council,
18 not responding to council. Since I have
19 been elected to council the most frustrating
20 part of this job has been the lack of the
21 cooperation from not only the department
22 heads, but most of the department heads.
23 When it takes five, six letters to even get
24 a reply, sometimes we don't even get a
25 reply. Council sends out a stack this thick

1 (indicating) every week of requests to
2 different department heads what people
3 mentioned at council meetings, what people
4 say to us on the streets, e-mails that come
5 in, phone calls, and I would say more than
6 half, probably 75 percent of those letters
7 go unanswered, and council -- what Mrs.
8 Evans said is exactly right, the department
9 heads think they are accountable to the
10 mayor, when in fact they are accountable to
11 the people of this city.

12 The one recourse that council does
13 have is we control the salaries and the
14 budget, and I don't have any problems with
15 reducing a department head's salary if they
16 are not working on behalf of the people. If
17 we have to pay a director of the department
18 \$25,000 a year or less and cut their salary
19 in half if they are not working for you, why
20 are we paying them 30, 40, 50, 60 thousand
21 dollars?

22 I have been very critical of the
23 salaries of the department heads, and we
24 have made progress. We have been cutting
25 the salaries of department heads. I believe

1 it was 10 percent across the board last
2 year, which I think is a good first step. I
3 find it very upsetting that you have a
4 mayor, who is the CEO of the city, who has
5 people under him making more money than the
6 mayor, which you would never see -- you
7 would never see this anywhere in the real
8 world outside of government. It would never
9 happen.

10 It was also mentioned about the
11 change for nonprofits tax status, and I
12 mentioned this on council a few times before
13 and I know many other people have as well,
14 and I don't think anyone has a problem with
15 a true nonprofit being tax exempt if they
16 are providing a service to the community.

17 And I even said as far as the
18 universities go the buildings where -- the
19 buildings that solely for learning where you
20 have teachers and students and nothing else,
21 I believe that's a nonprofit, but when you
22 have a building that has a bookstore in it,
23 that as a student who is still paying off
24 student loans, I know they are not
25 nonprofit. When you have a Subway or a

1 Quiznos or private businesses in the
2 nonprofit these entities should be taxable,
3 and I think this ruling is a good first step
4 in that direction, and I'll just read a
5 couple of brief points from here.

6 It said, the Court ruled that
7 although the camp, which was in question, is
8 owned by a religious organization most of
9 the 61 acre spread that they own is tax
10 exempt because it did not meet all of the
11 criteria previously established for
12 charities in Pennsylvania and as a result it
13 did not qualify as a purely public charity.

14 So that would be to me what would
15 seem like an example I used where you have a
16 building of a nonprofit but there is an
17 entity in it that is making a profit. It
18 goes onto say: This is a game changer. The
19 dean for the professor at Duquesne
20 University Law School, an expert in charity
21 law, "I think in these hard times with every
22 municipality and school stretched for
23 resources this open the doors to
24 challenges."

25 I definitely think this is a good

1 step for Scranton. I don't think we should
2 be chasing down true nonprofits for money,
3 you know, for instance, the American Red
4 Cross, great group. Nonprofit. They do a
5 great service to the community. On the
6 other hand, you have the University of the
7 Scranton which sometimes gets beaten up on a
8 little bit too much, but they are elements
9 in the nonprofit that make a profit, if you
10 understand what I'm saying, so hopefully we
11 will some progress on that.

12 Next, I received a reply from Ms.
13 Aebli and, Ms. Schumacher, I apologize, I do
14 have two more responses for you, she was on
15 vacation last week and I was out last week
16 so I will be getting in touch with you with
17 those, this one is regarding the 1700 block
18 of Dickson Avenue and Lavelle Court, for the
19 paving.

20 MS. EVANS: Those were the requests
21 that I made last week and I had asked if
22 they would qualify for CDBG to add them to
23 the list and if they don't then the city
24 would add them to their list.

25 MR. ROGAN: Ms. Aebli just replied

1 today and I had spoke to her earlier this
2 morning, she e-mailed it to me it was also
3 sent to everyone else. An OECD staff member
4 did visit both sites on the 1700 of Dickson
5 Avenue. That is a low to moderate income
6 area, according to the 2000 census. The
7 street will be placed on a potential paving
8 list, however, a licensed engineer will need
9 to review the street before a final decision
10 can be made it there are unforeseen problems
11 that could prevent this office to move
12 forward with the paving.

13 And Lavelle Court and the 500 block
14 of East Elm Street is also a low to moderate
15 income area, so both areas would be
16 eligible, and again, there is more that
17 needs to be looked into with Lavelle Court
18 regarding storm water controls, without
19 doing the paving without the storm water
20 controls would be, you know, kind of a
21 waste, it would be washed out.

22 Next, I spoke to a few police
23 officers and members of the community about
24 this over the week, and I'm sure residents
25 have seen it in the newspaper, over the past

1 few years there have been many break-ins
2 into vacant homes to steal copper and they
3 are bringing them to the junk yards and
4 selling it. Currently in the State of
5 Pennsylvania and in Scranton if you go to a
6 junk yard with \$99 worth of copper you do
7 not have to show ID. The only exception is
8 the Veteran's gave markers, they are not
9 allowed to accept them, which is one good
10 part of the law. If you have -- if you go
11 and you have a truckload of copper and you
12 bring up \$99 worth of copper ten days in a
13 row you are never required to show an ID.

14 So I will be reaching out to Chief
15 Duffy, hopefully the mayor, and if anyone
16 else on council has any objection I do
17 believe we should require ID to be shown for
18 \$25 or more. The \$100 threshold I believe
19 that's quite a bit, you know, and I don't
20 think it's too much of a burden for the junk
21 yard, the scrap yard to make somebody show
22 an ID when they are bringing scrap metal in.
23 I know in Luzerne County, and it's not just
24 copper it's all scrap metals, in Luzerne
25 County they had a problem where they were

1 stealing sewer lids and bringing them into
2 the scrap yards, and when they bring them to
3 the scrap yard they only get a few dollars,
4 maybe \$10 a piece, but the cost to replace
5 them is over \$100 for the municipality or
6 the county.

7 With the vacant homes, as Mr. McGoff
8 was mentioning, you know, a lot of people
9 rehab, if you got the copper piping on a
10 house it's going to be too easy to raid that
11 house. I think this would be a good
12 deterrent to stop the theft of scrap metal
13 in this city. If the criminals don't have a
14 place to go and sell the scrap metal, they
15 are going to stop stealing it. So hopeful
16 that's something that we can work on, and it
17 doesn't have to be \$25, it could be lower,
18 it could be a little higher, but some sort
19 of ID law regarding that I think would be a
20 good deterrent to stop this theft of
21 different scrap metals throughout the city.

22 Next, the West Scranton Hyde Park
23 Neighborhood Association received of the
24 Award of Excellence from the National
25 Sheriff's Association. I received this news

1 from the Fosters, who have been with the
2 group, they founded it and are doing a good
3 job, a great job, and they just sent me the
4 press release that came out right before the
5 meeting so, unfortunately, I didn't have
6 time to print it out to read it, but I do
7 hope that we can have them in to give them a
8 proclamation for the good work they have
9 been doing.

10 MS. EVANS: Actually, I think
11 Mrs. Foster sent that out to all of council
12 so I had already directed our office and Ms.
13 Carrera to prepare a proclamation for a May
14 presentation.

15 MR. ROGAN: Okay, great, because I
16 know Mr. Loscombe and Mr. Joyce and myself
17 they sent us a message on a Facebook
18 actually and we were speaking with them last
19 week and we sent it in as well, so that's
20 great. I'm sure they will be happy and it
21 will be good for everyone in the community.

22 I do have comments to make on agenda
23 items, but I'll hold them for the time of
24 the vote. And finally, I would like to wish
25 all our mothers, especially my mother and

1 grandmother a very happy Mother's Day.

2 Thank you.

3 MS. EVANS: Thank you. Councilman
4 Loscombe, do you have any motions or
5 comments tonight?

6 MR. LOSCOMBE: Yes, just a few
7 comments, thank you. First of all, my buddy
8 Chris forgot to mention this at the podium,
9 but he asked me to speak up for him, the
10 postal service, he reminds to remind
11 everybody the postal service is having their
12 food collection this Saturday, the 12th of
13 May. So I believe it's canned goods and dry
14 goods.

15 MR. SLEDENZSKI: Yeah, everything,
16 Jack, everything.

17 MR. LOSCOMBE: All right, help the
18 food pantries. Right, Chris?

19 MR. SLEDENZSKI: Thanks, Jackie.

20 MR. LOSCOMBE: Mrs. Schumacher, I do
21 have to apologize, I wasn't able to meet
22 with the chief this past week due to some
23 family matters, but I'm going to try to get
24 ahold of him for Monday or Tuesday.

25 Mr. Quinn spoke earlier on the taxes

1 and loans and stuff like that, he speaks
2 like 90 percent of the people I speak to on
3 the street. Nobody wants to see any tax
4 increases. He said the Legion of Doom, he
5 said it right, I mean, these people have
6 been coming here and prophesying what's
7 going to happen for the past ten, 12 years
8 and here we are.

9 The last thing I want to do is pass
10 a tax increase. The last thing I want to do
11 is borrow money, borrow any more money. The
12 problem is, sometimes you get your back
13 against the wall and you have to look at the
14 whole picture. I'm a taxpayer here, but I
15 believe things are turning around. I
16 believe a lot of this is happening because
17 Mr. Joyce and Mrs. Evans have become
18 involved in conversation with the
19 administration. In the past two years the
20 purse strings have been tightened up, a lot
21 of this stuff has to be agreed upon. Part
22 of the big problem why we are here is
23 over things have just went uncaught over the
24 last several years. Audits two years later
25 than they are supposed to be, which was a

1 big factor. I mean, even during our budgets
2 with this past year's audit. When you don't
3 know everything that's there it's tough to
4 create the budget and then we find out, as
5 we do two years in a row, get surprised. I
6 don't know how they have been able to hide
7 this deficit all this time. We knew we were
8 in a deficit but it just seems to keep
9 accumulating.

10 And for ten years there were no pay
11 increases for police and fire department,
12 yet, the budgets have gone up, our debt has
13 increased tremendously. Now with the
14 Supreme Court ruling, we have to pay those
15 back wages to the police and firefighters.
16 I imagine the administration is going to
17 play it up again and blame the police and
18 firefighters, naturally, why your taxes are
19 going up and everything, but where did all
20 that money go for those 10 years that was
21 borrowed? I don't know.

22 I'm not a financial expert like
23 Mr. Joyce and I know they have been working
24 very hard. I mean, this has been a tough
25 project to get to the bottom of where we are

1 going here. But, you know, I pray very hard
2 at mass to give me the direction on, you
3 know, where we can go with this, but it is
4 going to be a tough decision, our backs are
5 against the wall, and hopefully with all of
6 this legislation with what we are looking at
7 the things that Mr. Joyce and Mrs. Evans are
8 doing with the administration we will be
9 able to start from square one. We can see
10 the future clear then.

11 Maybe down the road with some
12 revenue items -- this is a problem, too.
13 For the past ten, 11 years, you know, well,
14 even longer than that, we have got nothing
15 for the tax exempts, or very little. This
16 was in the first Recovery Plan plan to go
17 after the tax exempts. Nothing has been
18 done. There has been numerous revenue
19 initiatives put in by city council over the
20 years to try and stall this problem, nothing
21 has been done about it and here we are.

22 If we don't get action on tax
23 exempts and revenue initiatives that we
24 have, it is going to get worse. We have to
25 have them, at least some of this, in a

1 Recovery Plan. The Recovery Plan has to
2 address the back wages and it has to address
3 the revenue initiatives. We have to start
4 seeking money from other sources other than
5 raising your taxes, raising your fees, and
6 many ideas have been presented, but it's
7 just been overlooked for years and years and
8 now we are in this position and, you know,
9 if this stuff isn't done there is nobody to
10 blame but ourselves, too. We have to get
11 this done, but that's part of where we are in
12 this position of borrowing like this and
13 it's sickens me just like it sickens
14 everyone else.

15 But I just hope through this and
16 through the Recovery Plan that these
17 initiatives are put in there and that's a
18 fresh start. I honestly do not feel
19 comfortable dealing with a Recovery Plan
20 that's involved with PEL because they
21 haven't done anything in all the years they
22 have been here. I wish there was another
23 company that was involved at this point
24 because they have allowed the administration
25 to overlook many things in past Recovery

1 Plans, so will the Recovery Plan be abided
2 by if it's approved by us? I can't say for
3 sure. I don't know what the answer is. I
4 really don't, but I think we should have a
5 complete audit of what's been going on here
6 for the last two years and have a better
7 idea, but that's not for me to say and I
8 would just hope that investigations down the
9 road would show us the light.

10 As far as the DPW, as Mr. Rogan
11 wasn't here last week, I probably agree with
12 both of you to a certain degree and disagree
13 with certain degree, but, you know, I know
14 many of the employees and I do say that they
15 do work hard with what they have, but I
16 definitely agree that there has to be a
17 study done. Last week I said I don't want
18 to privatize the service, I'd like to
19 maximize the service. Just like every city
20 department and by maximization what I
21 mentioned last week there are certain
22 departments that only cut trees. There are
23 certain departments that only fill potholes.
24 There is certain departments that do the
25 garbage. Certain departments that cut the

1 grass and whatever and, as you know, when we
2 laid off the beginning of the year we had
3 complaints, "Oh, we only have a couple of
4 guys that are CDL, we are going to have to
5 hire more guys to do plowing."

6 Just like police and fire, everyone
7 that comes on the job from this point on in
8 the new contract should be CDL certified or
9 have it within a certain period of time.
10 Issues like that. They all should be
11 cross-trained so they can all do each others
12 jobs rather than pulling a mechanic out of
13 the garage and having a guy that cuts trees
14 sitting in the kitchen there while a
15 mechanic is now finishing a transmission.

16 You know, there is an attitude
17 problem, and it probably hits all
18 departments, but I had a complaint this week
19 from one of the people that were picking up
20 garbage, and maybe he was from another
21 department and was a little dissatisfied
22 that day, but I had a personal call, this
23 young gentleman picked up the garbage picked
24 up the garbage in front of a home in West
25 Side and he threw the garbage can over the

1 hood of a car, hit their plastic fence, and
2 broke some tulips there. Not only did he do
3 that, he was ready to throw the second one
4 when the owners came out of the house and
5 they started -- they confronted him, you
6 know, "What are you doing?"

7 He said, "Well, these cars are all
8 parked here, what am I supposed to do?"

9 They said, "Well, put them back
10 where you got them."

11 I mean, these are tight
12 neighborhoods. You know, I remember the
13 days when the DPW guys used to bring your
14 ash tubs from the back of the house to the
15 front and your garbage, but to be on a
16 taxpayers' dime and to give a taxpayer that
17 kind of attitude isn't right. And he
18 continued to argue all the way down the
19 street about the way that, you know, the
20 cars are parked and stuff like that. We
21 don't need this kind of, you know, people
22 working for you when they should be doing
23 their job and complaining.

24 Now, the other two people on the
25 vehicle, you know, they had no problem, they

1 didn't complain, they didn't do anything,
2 but for a young gentleman like that to get
3 in a verbal confrontation with a taxpayer.
4 It's not right. It puts a bad light on the
5 good workers on that department and there
6 are many of them, but I think it's comes
7 down to the leadership. When the leadership
8 doesn't answer to us, how do we know what
9 kind of repercussions employees like this
10 get from the leadership? You know, I know
11 of a couple of things right now that's why I
12 would like to see our director here, there
13 has been many instance that people don't
14 even know about that have been buried and
15 hidden that shouldn't be. And I don't know
16 where the newspaper is on some of them, but
17 I guess it's favored departments, I'm going
18 to say that. It's who the administration
19 tells them to report on or not to report on.

20 You know, I get complaints like, you
21 know, gee, the broom trucks are out seven
22 days a week, rain, snow, sleet or shine, you
23 know?

24 MR. ROGAN: With two people in them?

25 MR. LOSCOMBE: What's that?

1 MR. ROGAN: With two people in it.

2 MR. LOSCOMBE: Yeah. I mean, and
3 they are complaining about no drivers for
4 the trucks, not enough garbage men and stuff
5 like that, and I do believe that they put a
6 couple supervisors back on after we took
7 them off so they did alter our budget
8 anyway. But, you know, this is no way to
9 treat the people that are paying your bills,
10 and I'm sorry about rambling on.

11 And finally, I would like to wish
12 everyone out there, every mother out there,
13 a happy Mother's Day. Thank you and God
14 bless.

15 MR. ROGAN: Mrs. Evans, I'm sorry to
16 interrupt, but, Mr. Loscombe, you brought up
17 a great point when you mentioned, I
18 apologize for missing last week, I didn't
19 hear the story about the member of the DPW
20 arguing with the resident, but the one
21 difference between the DPW and all of the
22 other departments is if that was a police
23 officer they would have a name badge and I
24 believe the fire department as well, they
25 would have it up on the helmet or gear; is

1 have mentioned privatization, but I think
2 that's more of a last resort.

3 MR. LOSCOMBE: Maximization.

4 MR. ROGAN: Maximization or reforms.
5 I have always stated that I personally
6 believe we can collect garbage in the city
7 in four days and have a fifth day for
8 pothole repairs, just various different
9 projects throughout the city, but it would
10 also start with an efficiency study, but I
11 just wanted to comment on that. Thank you.

12 MR. LOSCOMBE: Thank you. That's
13 all.

14 MS. EVANS: Good evening. I would
15 like to begin by addressing Sixth Order
16 legislation included on tonight's agenda for
17 the 2011 unfunded debt borrowing and
18 refinancing of 2003 Bond Series A, B, C and
19 D.

20 Following last week's council
21 meeting, a very kind, older gentleman asked
22 that the mayor appear in council chambers to
23 shoulder the blame and accept responsibility
24 for the dire financial straights he has
25 caused in our city before city council would

1 approve the unfunded debt borrowing and
2 refinancing that the city desperately needs.
3 In a much as I empathized with this man and
4 wished that I could comply with his request,
5 I told him that council couldn't allow our
6 city to financially collapse and our people
7 to be hurt by the loss of services and
8 exorbitant tax increases in an effort to
9 make one man accept his responsibility.

10 It's true that Mayor Doherty's
11 visions for the city can no longer be paid
12 for. The annual borrowing from 2003 through
13 2008, unbridled spending and historic debt
14 of the past ten years have come home to
15 roost and the city cannot make it's annual
16 bond payments.

17 In addition, the \$36 million PEL,
18 DCED and Doherty debt from ten years of
19 Court battles culminating in the October
20 2011 Supreme Court decision to police and
21 fire cannot be paid at this time.

22 It's also true that I have never
23 before approved borrowing, rather, I have
24 fought hard for financial accountability and
25 responsibility and government cuts and

1 battled continuously against wasteful
2 spending, unaffordable projects, political
3 job creations and management raises, costly
4 Court battles and unnecessary borrowing by
5 the administration and city authorities. I
6 did so to protect the taxpayers of Scranton.
7 I also did so because I knew borrowing
8 should be withheld for necessary emergency
9 situations only.

10 Nevertheless, the mayor exhausted
11 all financial resources, refused to generate
12 new revenue, ignored negotiations with
13 police and fire and cut public safety
14 services. The consequences of his actions
15 had to be addressed and city council faced
16 whether to allow the city to collapse or
17 help it survive. We agreed to work with the
18 administration to avoid a state takeover or
19 Chapter 9.

20 Consequently, at the recommendation
21 of the business administrator and the mayor,
22 council placed the figures given to us by
23 Ryan McGowan for unfunded debt borrowing and
24 refinancing into the 2012 operating budget.

25 Ladies and gentlemen, the bottom

1 line is quite simple, the mayor had an
2 agenda since 2002, PEL and DCED enabled it,
3 and previous council's rubber stamped it.
4 In order to prevent a financial collapse of
5 the city and further loss of public services
6 in this year 2012 and to provide stability
7 to the operating budget, city council must
8 vote in favor of the Court-approved 2011
9 unfunded debt borrowing and refinancing.

10 Next, I have a brief update on the
11 revised Recovery Plan. Agreement between
12 the mayor and council on several significant
13 issues has not yet been reached. However,
14 if it were to be placed on the agenda at
15 this time I firmly believe it would be voted
16 down, and I can assure you that I would be
17 the first to vote it down. When a final
18 document is drafted, city council and PEL
19 will receive it. Thereafter, PEL should
20 release the document to the public and
21 schedule a public hearing. However, it is
22 Scranton City Council, not the Pennsylvania
23 Economy League and not DCED, that will
24 ultimately decide whether or not to approve
25 the plan.

1 Next, I would like to respond to
2 comments provided by State Senator Blake to
3 the Scranton Times regarding Scranton's
4 proposed change to a Third Class city.
5 Mr. Brake said that he uncomfortable with
6 the idea of a Home Rule City in distress
7 status changing it's status, and that there
8 is no precedent for that in the
9 Commonwealth. However, the law governing
10 the classification was designed and adopted
11 by the state, and as Council Solicitor
12 Hughes has advised me, the law is the law.
13 State law provides that only cities with
14 population of 80,000 and above can be
15 classified as 2-A.

16 Since the two prior census results
17 demonstrate that Scranton population has
18 fallen below the requirement, the city of
19 Scranton wishes to abide by state law.

20 Further, Mr. Blake appears to opine
21 that the unique 2-A classification, which
22 enables state legislators to tailor laws
23 that applies only to the City of Scranton or
24 Lackawanna County, should be retained. One
25 example is the law enacted in 1996. I

1 believe it was written or sponsored by
2 former State Representative Frank Serafini
3 which included restrictions specifically
4 designed to make it more difficult for
5 Scranton than any other Pennsylvania
6 municipality to impose a commuter tax.
7 Clearly, this unique law was developed to
8 favor Lackawanna County and penalize
9 Scranton.

10 Another example is a current state
11 law that allows a county with a Second
12 Class-A city, and again, Lackawanna County
13 is the only one in the Commonwealth of
14 Pennsylvania, to levy a hotel occupancy tax
15 up to 4 percent. A pending bill in the
16 general assembly would authorize the county
17 to increase the tax to 7 percent as long as
18 Scranton remains a Class 2-A city. Please
19 note, however, that Scranton cannot levy a
20 hotel tax since the county does so.

21 As Senator Blake stated, "Scranton
22 is, indeed, a distressed city and one of a
23 number that has remained so for 20 years or
24 longer."

25 Under such critical circumstances,

1 should the city retain a classification that
2 benefits Lackawanna County to it's own
3 detriment? Is the county hotel tax increase
4 more essentially in the senator's judgment
5 than the city's proposed commuter tax? I
6 ask him to remember that Scranton taxpayers,
7 like their countywide neighbors, pay an
8 additional 38 percent in county taxes in
9 2012, while they pay the soaring costs for
10 all city services enjoyed by everyone who
11 works within its boundaries.

12 Further, Scranton taxpayers question
13 why Third Class cities that qualify for a
14 2-A status change fail to alter their
15 classifications for the benefit of their
16 host counties. If one follows such logic,
17 perhaps Scranton should remain distressed
18 under Act 47 as well in order that
19 Lackawanna County can impose a countywide
20 sales tax of which it will receive 50
21 percent.

22 As the largest municipality in
23 Lackawanna County and home to the tax exempt
24 county seat, Scranton and it's financial
25 survival are keys to the successful future

1 of Lackawanna County. The City of Scranton,
2 which provides multiple public services such
3 as police and fire protection, street
4 maintenance and snow removal, among numerous
5 others, should not be expected or advised to
6 sacrifice itself and its declining base of
7 taxpayers to benefit the county.

8 The failure to support our
9 distressed city at this crucial crossroad --
10 I'm sorry, in this crucial crossroad may
11 ultimately lead to financial defaults, a
12 sharp decline in city services, and mass
13 exodus of residents and businesses. Rather,
14 it is Lackawanna County that should help the
15 beleaguered City of Scranton and it's
16 people, as should our elected state senator
17 John Blake.

18 During last month's council meeting
19 meetings I discussed the efforts of
20 Providence Rhode Island Angel Tavaris to
21 obtain increased payments in lieu of taxes
22 from large nonprofits such a colleges and
23 universities. Since then, city officials
24 and state lawmakers applied some pressure to
25 Brown University and, as was noted by I

1 believe Mr. Ellman during citizens'
2 participation, last week Brown agreed to
3 contribute 31.5 million to Providence over
4 the next 11 years, and that is according to
5 Associated Press reporter David Kleper.
6 That money comes on top of nearly \$4 million
7 that Brown already voluntarily gives the
8 city each and every year.

9 Additional good news announced in
10 this article is that more and more cities
11 are succeeding in getting nonprofits to pay
12 up. Baltimore, Maryland, officials
13 threatened to tax hospital and University
14 dorm beds before John Hopkins University and
15 other tax exempt institutions agreed to make
16 payments.

17 Another encouraging development is a
18 ruling by the Pennsylvania Supreme Court
19 that may permit Pennsylvania cities to
20 challenge the tax exempt status of nonprofit
21 organizations. The new ruling effectively
22 restores a narrower criteria for charity
23 status. In the wake of this decision, for
24 instance, Philadelphia officials say they
25 plan to review the tax exempt status of some

1 of the city's largest nonprofits. In light
2 of these recent developments our three local
3 taxing bodies, the city, county and the
4 school district, should discuss pursuing a
5 review of the tax exempt status of our large
6 local nonprofits at its next scheduled
7 meeting.

8 Surprisingly, the Pennsylvania
9 Economy League has included in it's revised
10 Recovery Plan a mere increase of \$25,000 per
11 year in PILOT payments from the City of
12 Scranton, yet, a whopping 126 percent tax
13 increase for the people of Scranton as its
14 solution to Scranton's dismal financial
15 projections. However, I believe that all
16 stakeholders must work together and
17 contribute if we want to see Scranton grow
18 and succeed.

19 As such, a committee of the local
20 nonprofits should be formed for the purpose
21 of discussing a contribution agreement to
22 the City of Scranton. Therefore, I ask
23 Mrs. Krake to send a letter on behalf of
24 Scranton City Council to the presidents of
25 the University of the Scranton, Lackawanna

1 College, Marywood University, Johnson
2 College, the Commonwealth Medical School,
3 the CEO of Geisinger Community Medical
4 Center, and the president of General
5 Dynamics respectfully requesting that they
6 form a committee of Scranton tax exempt
7 organizations for the purpose of discussing
8 a contribution agreement with the City of
9 Scranton.

10 Tax exempts may opt to designate
11 contributions for specific purposes, such as
12 public safety, park maintenance or road
13 maintenance, among others.

14 Council also respectfully requests
15 that the Reverend Kevin B. Quinn, SJ, JD,
16 PhD, would serve as chairman of this
17 committee.

18 Earlier today council's office
19 received emergency legislation from the
20 administration to transfer \$1.4 million from
21 the city's contingency fund to the Scranton
22 Parking Authority for its anticipated
23 financial obligations. I did not place this
24 legislation on tonight's agenda because I
25 would first ask Council Solicitor Hughes to

1 review it.

2 In addition, I have questions and
3 concerns that I would like to be addressed.
4 Therefore, Mrs. Krake, please send letters
5 to Mr. Scopelliti, executive director of the
6 SPA, and business administrator Ryan
7 McGowan, requesting their attendance at a
8 public caucus on May 17, 2012, at 5:45 p.m.
9 in council chambers to discuss the proposed
10 legislation.

11 Further, council requests the
12 attendance of only these two individuals and
13 until that caucus is conducted the
14 legislation will not be placed on the
15 agenda.

16 Finally, I have citizens' requests
17 for the week: A letter to LIPS: Neighbors
18 report that the property located at Rear of
19 1435 Academy Street is so overgrown it's
20 become a dumping ground for rugs and pieces
21 of old furniture. Please address
22 immediately.

23 Now, for the sake of the time, I'll
24 submit the remainder of the requests to our
25 office following tonight's meeting, and

1 that's it.

2 MR. LOSCOMBE: Excuse me,
3 Mrs. Evans, did we ever receive the budget
4 from the Parking Authority that we
5 requested?

6 MS. EVANS: We voted down the budget
7 of the Scranton Parking Authority.

8 MR. LOSCOMBE: We asked for a more
9 complete budget, I believe.

10 MR. ROGAN: I think it was only
11 three pages?

12 MS. EVANS: Yes, if that. It was a
13 very elementary, cursory review of their
14 finances.

15 MR. LOSCOMBE: Perhaps we could ask
16 if they provide us with an updated more
17 factual budget.

18 MS. EVANS: Well, I don't know that
19 they have provided the budget, but I believe
20 they have provided perhaps their cash flow
21 report?

22 MS. KRAKE: Yes.

23 MS. EVANS: And I would ask that
24 that is also given to Attorney Hughes.

25 MR. HUGHES: Madam President, I

1 would like to say that you should demand
2 that Mr. Scopelliti, before they come before
3 council to discuss this legislation, fully
4 respond and answer my letter of October I
5 believe it was 13th of 2011. It's been six
6 months, they have never responded even with
7 yes, no, I don't know, could be, maybe, to
8 any of the issues that I raised. I believe
9 it was a five-page letter which included the
10 form for the budget that the Parking
11 Authority was to submit to council for
12 approval. The budget they submitted I would
13 say -- I think it be would derogatory to
14 Mickey Mouse to say it was a Mickey Mouse
15 budget. I think my grandson, who is 13,
16 could have drafted a much better budget, and
17 I believe that having them come in without
18 duly filing an answer and producing the
19 documentation that was requested more than
20 six months ago, it would be folly for this
21 council, and I don't believe that a meeting
22 should be held with the Parking Authority
23 until they fully answer to my satisfaction
24 the letter I sent to Mr. Scopelliti and
25 produce all documentation.

1 MS. EVANS: Thank you.

2 MR. LOSCOMBE: I agree with that.

3 MS. EVANS: Mrs. Krake, if you could
4 note in the letter that council demands the
5 information requested by Attorney Hughes six
6 months ago --

7 MR. LOSCOMBE: Eight months.

8 MS. EVANS: -- I'm sure he has the
9 exact dates --

10 MR. LOSCOMBE: October.

11 MR. HUGHES: I believe it was close
12 to eight months ago.

13 MS. EVANS: And before --

14 MR. HUGHES: And if they go in
15 default the bonds are insured so the
16 insurance company has to pay, so we can face
17 that issue when they come to us. If they
18 want to ignore council -- they can ignore
19 me, that's one thing, but, you know, when I
20 write for council and they ignore me they
21 ignore you, and if they default they
22 default. Let the insurance company pay.

23 MR. LOSCOMBE: Truth be said, you
24 have mentioned that many, many times in the
25 past eight months and then they wait and

1 throw emergency legislation at us, like
2 usual.

3 MR. HUGHES: It's like Chicken
4 Little, you know, "The roof is falling, the
5 roof is falling." Well, let it fall.

6 MS. EVANS: Well, I'm also wondering
7 what, if any bond, payments are due
8 currently. I know that council placed one
9 point -- or allocated, there was no actual
10 money, but allocated \$1.6 million into the
11 contingency fund for possible payment for
12 the financial obligations of the Scranton
13 Parking Authority, but I would ask everyone
14 to note that if that were written in stone,
15 if that had been a done deal, it would have
16 been placed in the operating budget within a
17 specific line item designated to the
18 Scranton Parking Authority. Council
19 purposely elected to place that funding into
20 a contingency fund over which only city
21 council has control.

22 Now, I am finding it a bit
23 questionable, ladies and gentlemen, that
24 when I am told the city as of this past
25 Monday has only approximately \$1.1 million,

1 and remember, we still owe Fidelity Bank
2 \$500,000, we are now ready to give the
3 Scranton Parking Authority as quickly as
4 tonight because that legislation, as I said,
5 was handed to our office today to be placed
6 as an emergency on the agenda tonight. We
7 are going to turn over, I believe the
8 legislation asks for \$1.4 million to the SPA
9 and the city is crying for money, so much so
10 that we are handling these financial issues
11 and the city is supposedly seeking an
12 additional TAN, but yet the administration
13 is willing to turn contingency funds over to
14 the Scranton Parking Authority, and if you
15 only have 1.1 how did you get to 1.4.

16 So, Mrs. Krake, if we can follow our
17 solicitor's advice we would like all of the
18 information that has been requested and
19 ignored prior to the scheduling of a public
20 caucus, the caucus will be held with only
21 those two individuals at such time as the
22 information is delivered to either council's
23 office or the Law Offices of Hughes, Nichols
24 and O'Hara.

25 And after my concerns and the

1 concerns of my colleagues have been
2 answered, council will then consider a
3 placement of this legislation on its agenda.

4 MR. ROGAN: I would just add in
5 addition, whenever council requests any
6 information from any of the authorities we
7 always get the same answer, "Well, you know,
8 we are on our own. The council doesn't
9 oversee us."

10 But then when they need money they
11 come to us for the bailout, and
12 Mr. Scopelliti can come here and next week
13 and beg, be on his knees begging, I'm not
14 voting to bail them out. It's what Attorney
15 Hughes said is exactly right. You know,
16 "The sky is falling, the sky is falling, if
17 we don't do this, we don't do this, if we
18 don't this," and we keep giving and giving
19 and giving. Not meaning us, meaning in the
20 past, and it keeps happening year after year
21 after year. Let the Parking Authority fail.
22 Let the city take it back inhouse.

23 MS. EVANS: Well, the Parking
24 Authority doesn't have to fail, I agree with
25 you. We can take our city-owned parking

1 meters back inhouse.

2 MR. ROGAN: Absolutely.

3 MS. EVANS: But the Parking
4 Authority should certainly be looking at the
5 sale or lease of its garages, as the City of
6 Wilkes-Barre is currently doing.

7 MR. ROGAN: It's been brought up
8 every week here for probably the last two
9 years.

10 MS. EVANS: For years, um-hum, for
11 years, but they would rather hand you the
12 bag of bills and try to paint this council
13 into a corner to provide that bag for them.
14 But it's not going to happen. I didn't
15 approve the borrowing for the Scranton
16 Parking Authority in the past, they wouldn't
17 have these issues if anyone had listened at
18 the time. Now, of course, they, too, are
19 upside down, but I don't think at this point
20 it behooves the city to step in and take
21 care of them when the city can't even take
22 care of its own financial obligations
23 currently.

24 MR. LOSCOMBE: They have been some
25 of the factors in some of our revenue

1 sources, too, again, a refusal to look at
2 them.

3 MS. EVANS: But, again, the sale of
4 these meters is in that Recovery Plan plan.

5 MR. LOSCOMBE: It's amazing.

6 MS. EVANS: Yes, it is, and it
7 almost looks as if certain parties are
8 counting on the fact that there will be a
9 change over on city council after next year
10 so that the items included in that Recovery
11 Plan can come to fruition because they know
12 that the only thing standing right now
13 between the taxpayers of this city and the
14 Pennsylvania Economy League and DCED, who
15 played a paramount role in getting us into
16 this financial mess, the only thing standing
17 between this and you is right here.

18 (Indicating). And if that takes six more
19 months to settle, so be it, because I will
20 not approve what's been presented to me.
21 There will be changes or there will be no
22 Recovery Plan.

23 MR. ROGAN: It seems like for the
24 last almost year Mayor Doherty stopped being
25 the Mayor of Scranton has been head of the

1 Parking Authority. He wanted to sell the
2 parking meters to the Authority to bail them
3 out I believe eight months ago, and the city
4 would have lost all of that revenue for --
5 from this year forever. Now he wants the
6 city to give \$1.4 million, that we don't
7 even have, we have two agenda items on the
8 -- right in front us today, one to raise
9 taxes over a ten-year period and one to
10 borrow with a cost of up to \$26.6 million
11 and the mayor is concerned about the Parking
12 authority, so we'll see who comes next week.

13 MS. EVANS: Well, first we need the
14 information requested by solicitor.

15 MR. ROGAN: Yes. Absolutely.

16 MS. EVANS: Because I feel it's
17 imperative that he is able to review all of
18 the financials of that authority. It's
19 obviously -- well, shall I say arguably
20 questionable what's been going on with the
21 Scranton Parking Authority for a number of
22 years and particularly when they ignored
23 presenting their budget to Scranton City
24 Council until it was council's solicitor who
25 found that information in trust agreements

1 and pointed out to them you have no budget
2 unless it's approved by Scranton City
3 Council. That was the first time in the
4 history they had given over a budget, and it
5 was only then that we discovered the budget
6 was a sham.

7 And sadly, previous council members
8 and the mayor guaranteed -- well, the last
9 issue it may be the only one I was here for
10 \$35 million for them, and I was the only one
11 voting "no". Someone's trying to tell me
12 something from the audience, but I have old
13 eyes, I'm sorry.

14 MR. HUGHES: Madam President, if I
15 could, and I did say to Mrs. Krake that the
16 letter to Mr. Scopelliti tea must demand
17 that they submit a budget in accordance with
18 the proposal and in accordance with my
19 letter before the meeting.

20 MS. EVANS: Very good.

21 MR. HUGHES: That would be mean a
22 budget that shows the previous year's
23 figures with this year's figures with
24 anticipation and a line item budget, not
25 just everything grouped together, so that

1 has to be in the letter. We should have
2 that budget, which would be a comparison
3 budget for what they propose for this year,
4 2012, with the actual 2011 and do it by line
5 item by line item, by employees and break
6 everything out so that it is a good
7 operating budget.

8 MS. EVANS: Yes.

9 MR. HUGHES: And the budget that the
10 SPA has to produce and submit to council
11 each year for approval, that's not only in
12 the operating agreement between the SPA and
13 the City of Scranton, but it's also required
14 in their bond issues and by not doing that
15 they are in technical default of the bond
16 issue already.

17 MS. EVANS: Thank you. And I think
18 finally all I care to say is that before
19 this council would ask the taxpayers of the
20 Scranton for a tax increase, for example,
21 for this unfunded debt borrowing, and that
22 is incidentally Court ordered, it is my
23 intention, and this is what I have been
24 working toward with the mayor, that we leave
25 no stone unturned in terms of revenue

1 generation. We should not approach the
2 taxpayers unless we can say that we have
3 done everything else that is possible,
4 examined every other type of taxation, look
5 at every type of revenue that can be brought
6 into this city before we should turn to you
7 and ask you for a penny more, and basically
8 that's what's happening with this Recovery
9 Plan, so I can assure if these things aren't
10 in and these things aren't happening there
11 won't be a Recovery Plan because I will not
12 sell out the people of this city.

13 MR. HUGHES: Madam President, if I
14 could, I don't want to interject again, I
15 think one point that Senator Blake and many
16 other people miss on the city reverting or
17 becoming -- reverting to a Third Class city
18 is the fact that it's the law, there is no
19 option. There isn't a Chinese menu where
20 the city can sit here and say, oh, well,
21 Column A is the city in Second Class-A, and
22 Column B is a Third Class and I'm going to
23 opt out and stay a Second Class-A city.
24 There is no option. It's the law. The law
25 goes back to classifications of the city in

1 Pennsylvania first started before the 1900's
2 and they were classified and, you know, it
3 goes right into what the current law is and
4 what the population requirements are for a
5 city of a Second Class-A.

6 And as you aptly stated, there is
7 probably four cities in Pennsylvania right
8 now that could become -- that are Third
9 Class that could become Second Class-A
10 because they are over 80,000 in population
11 that aren't, but the city doesn't have a
12 choice. It's the law and it has to be
13 revert to a Third Class city because that's
14 what the law is. There is no choice. There
15 is not option. It's not a Chinese menu. I
16 have nothing further. Thank you.

17 MS. EVANS: Thank you. I would just
18 hope that our state legislators would set
19 politics aside, set future election
20 aspirations aside and do the right thing and
21 help this city because if this city goes
22 down, I don't know, you know, what else in
23 the county can really replace the City of
24 Scranton. We need the help. We were the
25 guinea pig for the state to the tune of

1 nearly \$37 million. No one else in the
2 State of Pennsylvania has to pay for that,
3 just those of us who live here, and I think
4 it's time for our state legislators to step
5 in and help us and help the City of
6 Scranton.

7 Mrs. Krake?

8 MS. KRAKE: 5-B. AUTHORIZING THE
9 MAYOR AND OTHER APPROPRIATE CITY OFFICIALS
10 TO LEVY A REAL ESTATE TAX MILLAGE INCREASE
11 FOR A PERIOD OF (10) YEARS DEDICATED TO
12 RETIRING THE UNFUNDED DEBT INCURRED IN
13 CALENDAR YEAR 2012 IN THE AMOUNT OF NINE
14 MILLION EIGHT HUNDRED FIFTY THOUSAND DOLLARS
15 (\$9,850,000.00) AND DIRECTING THE CITY
16 TREASURER TO SEPARATE THE PROPER PORTION OF
17 THE REAL ESTATE TAXES RECEIVED FROM THE
18 SINGLE TAX OFFICE DURING SUCH TEN (10)
19 PERIOD AND FORWARD SAME TO A SEPARATE
20 ACCOUNT TO SERVICE AND RETIRE THE UNFUNDED
21 DEBT.

22 MS. EVANS: At this time I'll
23 entertain a motion that Item 5-B be
24 introduced into its proper committee.

25 MR. MCGOFF: So moved.

1 MR. LOSCOMBE: Second.

2 MS. EVANS: On the question?

3 MR. ROGAN: Yes. I oppose this
4 legislation because it's tied to Item 6-A
5 and I will comment on Item 6-A.

6 MS. EVANS: Well, the only thing I
7 can add to that is the unfunded debt, as I
8 mentioned during my comments tonight, and
9 the refinancing were placed in the 2012
10 operating budget. If this does not occur
11 the budget will fail, the city will default.
12 So as much as like Mr. Loscombe said, this
13 has to be one of the most difficult issues
14 for council and certainly the most difficult
15 issue I have faced since I first took this
16 seat in 2004, I do want the city to survive.

17 All those in favor of introduction
18 signify by saying aye.

19 MR. MCGOFF: Aye.

20 MR. LOSCOMBE: Aye.

21 MS. EVANS: Aye. Opposed?

22 MR. ROGAN: No.

23 MS. EVANS: The ayes have it and so
24 moved.

25 MS. KRAKE: 5-C. AUTHORIZING THE

1 BUSINESS ADMINISTRATOR TO ACT AS AGENT FOR
2 THE CITY OF SCRANTON FOR EMERGENCY AND
3 DISASTER RELIEF PURSUANT TO THE ROBERT T.
4 STAFFORD DISASTER RELIEF AND EMERGENCY
5 ASSISTANCE ACT.

6 MS. EVANS: At this time I'll
7 entertain a motion that Item 5-C be
8 introduced into its proper committee.

9 MR. ROGAN: So moved.

10 MR. MCGOFF: Second.

11 MS. EVANS: On the question? I
12 understand that we require a replacement for
13 this position, which was previously held by
14 former DPW Director Jeff Brazil. However, I
15 feel that the business administrator is not
16 the best choice as replacement. First of
17 all, from all that I hear from the
18 administration and even bankers, the
19 business administrator is overwhelmed with
20 work. For example now, we had some college
21 interns that were offering their services in
22 his office when they went on spring break,
23 we were missing a cash flow report.

24 In addition, we need to get an audit
25 completed. For the last two independent

1 audits of the City of Scranton they haven't
2 been produced until nearly a year after
3 their due date. They are coming in the year
4 after the year in which they are due and
5 that is one of the primary responsibilities
6 of the business administrator.

7 I think that probably I could offer
8 some suggestions as to whom might be able to
9 fill this position. I think, for example,
10 Councilman Loscombe, who is the public
11 safety chair of council, perhaps he could
12 handle this position. If not, Chief Duffy.
13 Chief Davis or a member of the Scranton Fire
14 Department. They are very well-versed in
15 FEMA management, FEMA grants, etcetera. It
16 was the fire department, I believe, that did
17 all of the work in the application process
18 for the SAFER grant that should be -- the
19 results of which should be announced any day
20 now, and I hear that they are going to be
21 positive, so I will be voting "no".

22 MR. ROGAN: I agree wholeheartedly
23 with the comments. It's a public safety
24 issue, I don't know why the business
25 administrator was appointed. And

1 additionally, Mr. McGowan's track record
2 with other issues, especially working with
3 council in the past, is definitely not what
4 we are looking for, so hopefully it can be
5 somebody who will work with us a little bit
6 better as well.

7 MS. EVANS: Anyone else?

8 MR. MCGOFF: Yes. The position
9 requires somebody that's going to seek
10 financial assistance under the Disaster
11 Relief and Emergency Assistance Act. I
12 think that is in the province of the
13 business administrator and it doesn't --
14 it's not public safety and it's dealing with
15 finances.

16 MS. EVANS: Then why did the DPW
17 director hold the position before?

18 MR. MCGOFF: I don't know why it was
19 in the past, we are talking about the
20 qualifications of, you know, Mr. McGowan --

21 MS. EVANS: But these things occur
22 in the event of emergencies and natural
23 disasters and I think public safety is what
24 handles those best and certainly I think we
25 would be able to trust our police chief or a

1 member of the Scranton Fire Department or
2 Councilman Loscombe in conjunction with
3 perhaps those departments to handle these
4 issues. I don't see that additional duties
5 will serve Mr. McGowan or the City of
6 Scranton very well right now.

7 MR. ROGAN: I would just add, I
8 don't believe that Mr. McGowan is competent
9 for the position he is in. I voted against
10 his appointment. He was partially
11 responsible for losing millions of dollars
12 over a period of years. I don't think he
13 should be getting additional
14 responsibilities when he can't do the job he
15 already has.

16 MS. EVANS: Is there anyone else?

17 MR. LOSCOMBE: I would just have to
18 agree with Mrs. Evans and Mr. Rogan at this
19 point. I mean, it seems to me it's a
20 position for someone that's involved in
21 disasters. I think Mr. Brazil at that time
22 because of the flooding issues and stuff
23 that might have, you know, lead me to vote
24 for him at that point, but as you stated, we
25 are having problems with audits, we are

1 MORE SERIES OF FEDERALLY TAXABLE AND/OR TAX
2 EXEMPT GENERAL OBLIGATION BONDS OR NOTES OF
3 THE CITY IN AN AGGREGATE PRINCIPAL AMOUNT
4 NOT TO EXCEED TWENTY-SIX MILLION SIX HUNDRED
5 THOUSAND DOLLARS (\$26,600,000)
6 (COLLECTIVELY, THE "BONDS") PURSUANT TO THE
7 ACT OF THE GENERAL ASSEMBLY OF THE
8 COMMONWEALTH OF PENNSYLVANIA, PA.C.S. 53,
9 CHAPTERS 80-82, AS AMENDED, KNOWN AS THE
10 LOCAL GOVERNMENT UNIT DEBT ACT (THE "ACT");
11 FINDING THAT A PRIVATE SALE BY NEGOTIATION
12 IS IN THE BEST FINANCIAL INTERESTS OF THE
13 CITY; DETERMINING THAT SUCH BONDS SHALL
14 EVIDENCE NONELECTORAL DEBT OF THE CITY;
15 SPECIFYING THAT SUCH INDEBTEDNESS TO BE
16 INCURRED TO PROVIDE FUNDS FOR A CERTAIN
17 PROJECT OF THE CITY CONSISTING OF ALL OR ANY
18 OF THE FOLLOWING: (1) FUNDING UNFUNDED DEBT
19 OF THE CITY; (2) REFUNDING A PORTION OF THE
20 CITY'S OUTSTANDING GENERAL OBLIGATION BONDS,
21 SERIES A OF 2003; (3) REFUNDING A PORTION OF
22 THE CITY'S OUTSTANDING GENERAL OBLIGATION
23 BONDS, SERIES B OF 2003; (4) REFUNDING A
24 PORTION OF THE CITY'S OUTSTANDING FEDERALLY
25 TAXABLE GENERAL OBLIGATION PENSION FUNDING

1 BONDS, SERIES C OF 2003; (5) REFUNDING A
2 PORTION OF THE CITY'S OUTSTANDING FEDERALLY
3 TAXABLE GENERAL OBLIGATION BONDS, SERIES D
4 OF 2003; AND (6) FUNDING NECESSARY RESERVES
5 AND PAYING THE COSTS AND EXPENSES OF
6 ISSUANCE OF THE BONDS; SETTING FORTH THE
7 REASONABLE ESTIMATED USEFUL LIVES OF THE
8 CAPITAL PROJECTS THAT ARE TO BE FINANCED AND
9 REFINANCED BY THE BONDS; ACCEPTING A
10 PROPOSAL FOR THE PURCHASE OR ARRANGEMENT OF
11 THE PRIVATE PLACEMENT OF SUCH BONDS AT
12 PRIVATE SALE BY NEGOTIATION TO FINANCIAL
13 INSTITUTIONS, QUALIFIED INSTITUTIONAL BUYERS
14 AND/OR ACCREDITED INVESTORS; PROVIDING THAT
15 SUCH BONDS, WHEN ISSUED, SHALL CONSTITUTE A
16 GENERAL OBLIGATION OF THE CITY; FIXING THE
17 DENOMINATIONS, SERIES DESIGNATIONS, DATED
18 DATE, INTEREST PAYMENT DATES, MATURITY
19 DATES, INTEREST RATES, REDEMPTION
20 PROVISIONS, OPTIONAL AND MANDATORY
21 REDEMPTION PROVISIONS (IF APPLICABLE) AND
22 PLACE OF PAYMENT OF THE PRINCIPAL OF AND
23 INTEREST ON SUCH BONDS; AUTHORIZING
24 SPECIFIED OFFICERS OF THE CITY TO
25 CONTRACT WITH THE PAYING AGENT FOR ITS

1 SERVICES IN CONNECTION WITH THE BONDS;
2 SETTING FORTH THE SUBSTANTIAL FORM OF THE
3 BONDS EVIDENCING THE DEBT; AUTHORIZING
4 EXECUTION AND ATTESTATION OF SUCH BONDS;
5 PROVIDING COVENANTS RELATED TO DEBT SERVICE
6 APPLICABLE TO SUCH BONDS TO THE EXTENT
7 REQUIRED BY THE ACT AND PLEDGING THE FULL
8 FAITH, CREDIT AND TAXING POWER OF THE CITY
9 IN SUPPORT THEREOF; CREATING A SINKING FUND
10 FOR EACH SERIES OF BONDS IN CONNECTION WITH
11 SUCH SERIES OF BONDS, TO THE EXTENT REQUIRED
12 BY THE ACT; DESIGNATING THE PAYING AGENT TO
13 BE THE SINKING FUND DEPOSITARY; PROVIDING A
14 COVENANT TO INSURE PROMPT AND FULL PAYMENT
15 FOR SUCH BONDS WHEN DUE; SETTING FORTH
16 REGISTRATION AND TRANSFER PROVISIONS WITH
17 RESPECT TO SUCH BONDS; AUTHORIZING THE
18 EXECUTION OF ONE OR MORE INVESTMENT
19 AGREEMENTS BY SPECIFIED OFFICERS OF THE CITY
20 (IF APPLICABLE) AND THE PURCHASE OF CERTAIN
21 U.S. TREASURY OBLIGATIONS OR ANY OTHER
22 SECURITIES OR INVESTMENTS IN CONNECTION
23 WITH THE PROJECT AND THE REFUNDING OF THE
24 PRIOR BONDS; AUTHORIZING AND DIRECTING
25 SPECIFIED OFFICERS OF THE CITY TO DO, TO

1 TAKE AND TO PERFORM CERTAIN SPECIFIED,
2 REQUIRED, NECESSARY OR APPROPRIATE ACTS TO
3 EFFECT THE ISSUANCE OF THE BONDS, INCLUDING,
4 WITHOUT LIMITATION, THE PREPARATION OF A
5 DEBT STATEMENT AND BORROWING BASE
6 CERTIFICATE, AND THE FILING OF SPECIFIED
7 DOCUMENTS WITH THE DEPARTMENT OF COMMUNITY
8 AND ECONOMIC DEVELOPMENT, ALL AS REQUIRED BY
9 THE ACT; DECLARING THAT THE DEBT TO BE
10 EVIDENCED BY SUCH BONDS, TOGETHER WITH ALL
11 OTHER INDEBTEDNESS OF THE CITY, WILL NOT BE
12 IN EXCESS OF ANY APPLICABLE LIMITATION
13 IMPOSED BY THE ACT; AUTHORIZING PROPER
14 OFFICERS OF THE CITY TO DELIVER THE BONDS
15 UPON THE APPROVAL OF THE DEPARTMENT OF
16 COMMUNITY AND ECONOMIC DEVELOPMENT; IF
17 APPLICABLE, SETTING FORTH CERTAIN COVENANTS
18 PRECLUDING THE CITY FROM TAKING ACTIONS
19 WHICH WOULD CAUSE THE BONDS TO BECOME
20 "ARBITRAGE BONDS" OR "PRIVATE ACTIVITY
21 BONDS," AS THOSE TERMS ARE USED IN THE
22 INTERNAL REVENUE CODE OF 1986, AS AMENDED
23 (THE "CODE"), AND APPLICABLE REGULATIONS
24 PROMULGATED THEREUNDER; AUTHORIZING THE
25 EXECUTION OF A CONTINUING DISCLOSURE

1 CERTIFICATE AND COVENANTING TO COMPLY WITH
2 THE PROVISIONS THEREOF, IF APPLICABLE;
3 AUTHORIZING THE EXECUTION OF ONE OR MORE
4 ESCROW AGREEMENTS BY AND BETWEEN THE CITY
5 AND THE ESCROW AGENT NAMED THEREIN IN
6 CONNECTION WITH THE REFUNDING OF THE PRIOR
7 BONDS; APPROVING THE FORM OF AND RATIFYING
8 THE PREPARATION, USE AND DISTRIBUTION OF A
9 PRELIMINARY PLACEMENT MEMORANDUM AND A
10 PLACEMENT MEMORANDUM BY THE PURCHASER OR
11 PLACEMENT AGENT IN CONNECTION WITH THE
12 MARKETING OF THE BONDS; AUTHORIZING AND
13 DIRECTING THE PREPARATION, EXECUTION AND
14 DELIVERY OF ALL OTHER REQUIRED DOCUMENTS AND
15 THE TAKING OF ALL OTHER REQUIRED ACTION;
16 PROVIDING WHEN THIS ORDINANCE SHALL BECOME
17 EFFECTIVE; PROVIDING FOR SEVERABILITY OF
18 PROVISIONS; AND REPEALING ALL ORDINANCES OR
19 PARTS OF ORDINANCES INsofar AS THE SAME
20 SHALL BE INCONSISTENT HEREWITH.

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

23 MR. LOSCOMBE: Mrs. Chairmen, I move
24 that Item 6-A pass reading by title.

25 MR. MCGOFF: Second.

1 MS. EVANS: On the question?

2 MR. ROGAN: Yes. I guess I'll
3 explain the first vote as well. My
4 opposition to 6-A isn't so much with the
5 fact that we are borrowing money, which I
6 don't like the fact that we are borrowing
7 money, I understand that it has to be done.
8 My opposition is the uncertainty with this
9 bond issue. The legislation states \$26.6
10 million. There is no firm interest rate.
11 We don't know how much it's going to cost
12 the city in the long run. We don't know much
13 it's going to cost to issue the bond, it's
14 based on the market. It's also possible
15 that if the bank doesn't want -- if the bank
16 is trying to, you know, sell the bonds off,
17 if that doesn't happen. There are a lot of
18 uncertainties with it seems to me.

19 Additionally, going back to the
20 ten-year tax increase, which was Court
21 mandated based on the unfunded debt,
22 borrowing through a bond issue we don't even
23 know what the -- and I understand there is a
24 formula, but we don't know the firm number
25 of what's it's going to cost to borrow this

1 money, so the tax increase will be for a
2 period of ten years. We don't know how
3 much. The borrowing we don't know how much
4 it's going to cost. We don't know how much
5 we need.

6 Now, if we were going out to a bank,
7 and from what Mr. McGowan says, there aren't
8 any banks that will lend the city money.
9 That's a failure on his part and the
10 administration's part. They should be out
11 there trying to find a bank that's going to
12 lend the city money.

13 You know, for instance, the way that
14 the TAN was taken care of I think would be a
15 good model for the unfunded debt. If we are
16 going to borrow, say for even numbers, \$10
17 million from a bank if there is a
18 court-ordered tax increase attached to it
19 that money can be placed in a lockbox the
20 same the money -- the revenues we were
21 receiving in to pay the TAN back was. That
22 way that money cannot be touched. I mean,
23 and they would have the assurance through
24 the taxing power of the city that they will
25 be paid back.

1 By going through a bank you get a
2 firm - you get an interest rate, a fixed
3 rate, you know how much it's going to cost
4 you to borrow money and how much the
5 taxpayer is going to have to pay for you to
6 borrow that money. By going through this
7 bond issue we don't know, so being that, I
8 will be voting "no" on Item 6-A.

9 MS. EVANS: Is there anyone else?

10 MR. MCGOFF: I would just like to
11 comment on one thing that was said. At the
12 time of the TAN all of the banks that were
13 involved in the TAN-A were asked if they
14 would be interested in the unfunded debt.
15 To date, there has been one bank that has
16 responded. The statement that Mr. McGowan
17 and the mayor or the administration had not
18 pursued other sources is blatantly untrue,
19 they have, and there have been no takers.

20 If there are banks out there that
21 Mr. Rogan is aware of that would be willing
22 to do this, then I believe that we should
23 pursue that, but so far there aren't any.

24 MR. ROGAN: I don't believe I said
25 that they didn't pursue it, I said that

1 Mr. McGowan stated that there were no banks
2 willing to lend us the money.

3 MR. MCGOFF: And you said it was
4 their fault that they did not pursue it.

5 MR. ROGAN: It's the business
6 administrator's job to pursue other options.

7 MR. MCGOFF: All I said is he did
8 pursue it.

9 MR. ROGAN: But they should continue
10 to pursue it. You said there was one taker,
11 why didn't we pursue that option?

12 MR. MCGOFF: We are.

13 MR. ROGAN: I thought you said one
14 bank.

15 MR. MCGOFF: Well, M & T.

16 MR. ROGAN: Regarding traditional
17 borrowing, not a bond issue.

18 MR. MCGOFF: I'm sorry.

19 MR. ROGAN: But I think with all of
20 the banks in the country and with the city's
21 taxing power behind it with a court-ordered
22 tax increase, there would be a bank out
23 there that would be willing to lend the city
24 money. Whether it's because of
25 mismanagement of the city under Mayor

1 Doherty and Mr. McGowan in the past ten
2 years maybe that's the reason why we are
3 having problems finding a lender, or maybe
4 Mr. McGowan hasn't tried worked hard enough
5 to try and find a bank to lend us the money
6 instead of going through a bond issue which
7 is a very complex.

8 We sat here for maybe almost two
9 others hours, and Attorney Hughes did a
10 great job of explaining it to council and to
11 the public, but it's very confusing. It's
12 not cut and dry like a traditional borrowing
13 through a bank where you go to the bank, "We
14 need this amount of money, this is the
15 interest rate, and this is how much it's
16 going to cost for ten, 20, 30 years. There
17 is no certainty with this. We don't know
18 what's it's going to cost, so I will be
19 voting "no".

20 MS. EVANS: I agree with what you
21 are saying and certainly the optimal result
22 here would be what you have described, a
23 bank would at least enter into an agreement
24 with the city regarding unfunded debt since
25 there is a tax increase a court-ordered tax

1 increase accordingly. However, there is
2 credence to the fact that the banks won't
3 touch the city. For example, whether the
4 administration tried to secure TAN-B, oh, I
5 don't know a month, two months ago, one bank
6 finally bit, but look what they attached to
7 it. Guarantee. We'll give you the TAN
8 money, which is short-term borrowing, it has
9 to be repaid within the same year in which
10 the money is taken out from the bank, they
11 attached the debt of the Scranton Parking
12 Authority to that. The Parking Authority
13 borrowed 2.9 million in 2011, I believe,
14 it's an unsecured loan. For once they
15 didn't come to city council and ask, "Will
16 you guarantee it for us," and wisely so
17 because I'm sure they were aware that they
18 would not be approved.

19 So the bank involved in that
20 questionable transaction, well, let's not
21 say questionable, but unwise transaction,
22 was willing then to give the city I don't
23 know around \$3 million on the condition that
24 we would then guarantee the debt, that 2.9
25 million of the Parking Authority. So these

1 are the types of conditions that the banks
2 are attaching if they will even sit and
3 speak with us.

4 So it's a very unfortunate set of
5 circumstances. It's something that, you
6 know, I talked about for eight or nine years
7 to no avail and here we are and we have got
8 to handle it. Otherwise, you know, what I
9 think we are going to see is that the state
10 will come in and they don't care about you,
11 they don't live here, so if they have to
12 levy 130 or 150 percent tax increase they
13 will do it.

14 So these are the types of the things
15 I'm trying to avoid for you.

16 MR. ROGAN: I would also add this
17 isn't the end of the line. As bad as this
18 borrowing is, and it's terrible.

19 MS. EVANS: It is.

20 MR. ROGAN: If this was the end of
21 line, if we borrow this money and then from
22 here on out we have a debt obligation and we
23 pay what we have to pay, this is no where
24 near the end of the line.

25 MS. EVANS: Right. You still have

1 the police and fire.

2 MR. ROGAN: You still have the
3 police and fire awards, which from -- and
4 nobody -- and I don't understand why it
5 takes so long for the administration to
6 calculate a number, but we still don't have
7 a figure on how much that's going to cost.
8 Now, the numbers I have heard ranged from \$6
9 million, which it's not, to \$30 million. We
10 don't know. So next year, next month, Mayor
11 Doherty and Mr. McGowan are going to send
12 down additional legislation, if they ever
13 get it squared away, the dollar among, to
14 borrow again and how are we going to address
15 that? I mean, it's just one thing after
16 another. I would vote for it if this was
17 the end of the line and then we can say,
18 "All right, this is how we are going to play
19 it forward," but this is no where near the
20 end of the line and every time the
21 administration has come to council over the
22 years, and you were on the council and I
23 wasn't, you voted against it rightly all
24 those years, every time they are crying, "if
25 this doesn't happen, we are going bankrupt.

1 The city is going to go to hell in a hand
2 basket if this doesn't happen."

3 A couple of years later it's more
4 borrowing. "If this doesn't go through, we
5 are not going to be able to pay our
6 employees. We are going to go bankrupt."

7 A couple of years later, the same
8 thing. If you look at the Parking
9 Authority, which we were speaking about
10 earlier, they need us to bail them out to
11 pay their debt. When you keep using debt to
12 pay debt, eventually the string is going to
13 snap you and you are not going to be able to
14 do it anymore, so it's a terrible situation
15 to be in for the city and the most
16 frustrating part is regardless of whether
17 this legislation is approved or whether this
18 legislation is shot down we are no where
19 near the end of the line of our fiscal
20 problems in this city, and that's all I have
21 to say for this week.

22 MS. EVANS: And that's an accurate
23 statement. There has been a great deal of
24 damage done and it's going to take a very,
25 very long time to undo that damage. Anyone

1 else on the question?

2 MR. LOSCOMBE: Just quickly, I agree
3 with Mr. Rogan's statements and yourself,
4 but again, like I said, I love this to be
5 the end, also. That's what I was looking
6 for, but I think we are against the wall
7 right now. This is more of a stopgap to get
8 to that point, believe it or not, and we
9 could do more damage if we don't have this
10 in the middle. That's listening to our
11 finance chair, our president and that's, you
12 know, what I believe. But I would
13 definitely, as Mr. Rogan said, wish this
14 would be it, this was the bottom line, and
15 that's my big fear. That's why I asked to
16 have the mayor at a caucus here. You are
17 jumping through hoops to get the financing
18 for this, what's going to happen when, you
19 know, with the awards.

20 MR. ROGAN: Exactly. When I met
21 with the mayor a few months back regarding
22 -- this is when he wanted to sell the
23 parking meters and we were all opposed to
24 that, and I said I would be willing to go
25 along with the unfunded debt if this was the

1 end of the line, the last time and then we
2 get on track and get the ship running, but
3 this is no where near the end of the line.

4 MS. EVANS: The unfunded debt pays
5 for bills from 2011. It doesn't address the
6 expenditures of 2012, and the city has had
7 very difficult circumstances when its real
8 estate taxes were basically confiscated and
9 placed in a lockbox to repay a TAN in a five
10 or six-month period and at the same time the
11 city has had virtually no earned income tax
12 coming in because of the switch to
13 Berkheimer. So, you know, it is an
14 immediate, an immediate hole, an immediate
15 problem, so, I mean, we can skip over this
16 one, you know, I don't know where you go
17 after that because it's not like you can set
18 this one aside and then say, "But, I'll try
19 to approve some other borrowing to fulfill
20 this Supreme Court decision."

21 MR. ROGAN: I just think there has
22 to be a long-term plan. Obviously, PEL has
23 not in the past had the solution. You know,
24 every time it's the same thing with the
25 Parking Authority, "The sky is falling, the

1 sky is falling."

2 In the case of the city, we have to
3 fix it, unlike the Parking Authority, but
4 it's one thing after another after another
5 for decades and, you know, I'm not a
6 supporter of the mayor by any means, it's
7 not just his fault. It goes back before
8 Mayor Doherty took office, but much of the
9 damage has taken place over the last ten
10 years when he was mayor.

11 MS. EVANS: Anyone? All those in
12 favor signify by saying aye.

13 MR. MCGOFF: Aye.

14 MR. LOSCOMBE: Aye.

15 MS. EVANS: Aye. Opposed?

16 MR. ROGAN: No.

17 MS. EVANS: The ayes have it and so
18 moved.

19 MS. KRAKE: 7-A. FOR CONSIDERATION
20 BY THE COMMITTEE ON RULES FOR ADOPTION
21 -RESOLUTION NO. 21, 2012 - AUTHORIZING
22 THE MAYOR AND OTHER APPROPRIATE CITY
23 OFFICIALS TO EXECUTE AND ENTER INTO A LEASE
24 AGREEMENT WITH HORSEPOWER HARLEY DAVIDSON,
25 INC. TO LEASE FIVE (5) POLICE PACKAGE

1 MOTORCYCLES.

2 MS. EVANS: As Chair for the
3 Committee on Rules, I recommend final
4 passage of Item 7-A.

5 MR. ROGAN: Second.

6 MS. EVANS: On the question? Roll
7 call, please?

8 MS. MARCIANO: Mr. McGoff.

9 MR. MCGOFF: Yes.

10 MS. MARCIANO: Mr. Rogan.

11 MR. ROGAN: Yes.

12 MS. MARCIANO: Mr. Loscombe.

13 MR. LOSCOMBE: Yes.

14 MS. MARCIANO: Mr. Joyce. Mrs.
15 Evans.

16 MS. EVANS: Yes. I hereby declare
17 Item 7-A legally and lawfully adopted.

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

20 MR. LOSCOMBE: Motion to adjourn.

21 MS. EVANS: Happy Mother's Day to
22 all of our ladies and, mom, I love you more.
23 This meeting is 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