

SCRANTON CITY COUNCIL MEETING

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HELD:

Thursday, January 10, 2013

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

KATHY CARRERA, ASSISTANT CITY CLERK

BOYD HUGHES, SOLICITOR
(Not present)

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

3 MS. EVANS: Roll call, please.

4 MS. CARRERA: Mr. McGoff.

5 MR. MCGOFF: Here.

6 MS. CARRERA: Mr. Rogan.

7 MR. ROGAN: Here.

8 MS. CARRERA: Mr. Loscombe.

9 MR. LOSCOMBE: Here.

10 MS. CARRERA: Mr. Joyce.

11 MR. JOYCE: Here.

12 MS. CARRERA: Mrs. Evans.

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

15 MS. KRAKE: 3-A. MINUTES OF THE
16 SCRANTON HOUSING AUTHORITY'S REGULAR MEETING
17 HELD ON DECEMBER 3, 2012.

18 MS. EVANS: Are there any comments?
19 If not, received and filed.

20 MS. KRAKE: 3-B. BREAKDOWN OF THE
21 ELIGIBLE SALARIES FOR THE LIQUID FUELS
22 ACCOUNT FOR THE MONTHS OF OCTOBER, NOVEMBER,
23 AND DECEMBER 2012.

24 MS. EVANS: Are there any comments?
25 If not, received and filed. Do we have any

1 clerk's notes tonight, Mrs. Krake?

2 MR. KRAKE: No, Mrs. Evans.

3 MS. EVANS: Thank you. Do any
4 council members have announcements at this
5 time?

6 City council Solicitor Hughes is
7 unable to attend tonight's meeting due to a
8 prior commitment.

9 The Scranton/Lackawanna County
10 Taxpayers' Association will meet next
11 Tuesday, January 5, at 7:00 p.m. in Scranton
12 City Council chambers. County controller
13 and licensed realtor, Gary DiBileo, will be
14 the guest speaker and will discuss the real
15 estate market in our area.

16 Also, our office received a response
17 to its letter to DEP regarding Lake Scranton
18 Road. I'd like to read that response for
19 the public.

20 "The Department received your letter
21 today regarding the city's concerns with
22 suspected transportation and disposal of
23 contaminated soil at the end of Lake
24 Scranton Road. Although, I'm in the
25 environment cleanup and brownfields program,

1 the DEP program which handles transportation
2 and disposal of waste is the Waste
3 Management Program. As such, I forwarded
4 the city's letter to the Waste Management
5 Program today."

6 And that is the most recent update
7 on this issue.

8 Once again, I remind audience
9 members to remain quiet and conduct personal
10 conversations in the hallway outside council
11 chambers. Those who wish to address city
12 council should sign the speaker sheet,
13 unless arriving citizens' participation has
14 begun. Speakers are allotted five minutes
15 in order to provide an equal opportunity for
16 all to address council. At the sound of the
17 bell, please be seated. We respectfully ask
18 that you adhere to the rules of these
19 meetings.

20 And finally, I'd like to wish my
21 son, Chris, and outstanding English teacher
22 at West Scranton High School, devoted
23 husband and father of two darling daughters,
24 Cara and Anna, a very happy birthday
25 tomorrow and many more. That's it.

1 MS. KRAKE: FOURTH ORDER. CITIZENS'
2 PARTICIPATION.

3 MS. EVANS: Our first speaker tonight
4 is Ron Ellman.

5 MR. ELLMAN: Well, hello, my good
6 council friends. It's glad to see everyone
7 up there tonight.

8 MS. EVANS: Good evening.

9 MR. ELLMAN: In 1973 I was in the car
10 business with some other people in Missouri
11 and I bought a new Cadillac from a boy I had
12 known for ten or one years. He had been to
13 my house and everything and I sold the car
14 and the man sent the title in and it was
15 stolen. I was in Memphis to borrow some
16 money from my Daddy Ellman and I was crying
17 and pulling my hair up and jumping up and
18 down and saying, "How could this man do this
19 to me?"

20 And my father said, "Ex-son,"
21 because he had disowned many years before, ,
22 he said, "People like Abby save their
23 friends for last because they are the
24 easiest ones to get to."

25 Do you understand? You people

1 following the policies of PEL are to go the
2 same thing. You just keep on -- it just
3 don't stop with the taxpayers of the city.
4 The source of the destruction of the city is
5 mainly the nonprofits. I bet a one of you
6 hasn't looked up the nonprofits on the
7 computer. Nobody has done nothing about
8 Paul Masour, he's had grants for years to
9 work in the Woolworth house. Goodwill has
10 had 2 1/2 million of state money and local
11 grants to work on the high school and they
12 have never done a thing except tell us what
13 they are going to do, this list goes on and
14 on, we are all familiar with it, but instead
15 of attacking the people that are destroying
16 the people here you are tonight you are
17 probably going to ask for another raise of
18 taxes for an emergency. It's just not
19 there. There is 3,000 people that lost
20 their houses.

21 At Mr. Bolus' dinner I was sitting
22 at a table with man that told me he had two
23 pieces of property that are vacant here in
24 west side. He is paying taxes on these
25 houses that are vacant and these developers

1 come in here, you give them grants and loans
2 and tax KOZs, just everything under the sun
3 and they don't help us.

4 I forget the name of it, there is
5 some guy wants to build on the high school
6 on the 300 block of Luzerne Street 22
7 apartments, Luzerne Street that area is full
8 of empty apartments with people that are
9 paying taxes on the houses. What do you
10 need that developer for? They have beat the
11 city out of gobbs of money not paying
12 building permits.

13 You know, like I said a few weeks
14 ago, there is a \$33 million project down
15 there with a \$33,000 building permit. It
16 should have been ten times that, you know,
17 who knows. I'm not making a blistering
18 attack on council, I'm making a blistering
19 attack on PEL and their policies are holding
20 us back.

21 You know, I said last week PEL has
22 us grouped with a bunch of cities that are
23 financially in bad straights. It's like
24 fingers, everybody has got a finger, but
25 your fingerprint is different. This city is

1 different from all of the rest of the cities
2 in that manner. Not a one of them has dozen
3 and dozen of nonprofits that have taken tax
4 their tax base away like we are suffering
5 and that's the source that you have to stop
6 somehow. I don't know what to do.

7 Like I said, I talked to a man in
8 the banking business that said it's just
9 impossible for this city to get out of this
10 situation. There is nothing good. There is
11 just no where to turn anymore, but PEL is
12 counterproductive, they don't have one
13 positive to talk about it in 20 years, and
14 to make things worse I read last week where
15 Mr. Cross, I think it was in Sunday's paper,
16 said that management problem wasn't our
17 mayor's. This is probably the worse manager
18 -- the worse mayor since Mr. Hill's picture
19 was put up there, and that is the problem
20 with PEL.

21 MS. EVANS: Thanks.

22 MR. ELLMAN: Thank you for allowing
23 me to speak.

24 MS. EVANS: Less spend letter.

25 MR. SPINDLER: Good evening, council.

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

3 MS. EVANS: Good evening.

4 MR. SPINDLER: Well, the city
5 received some good news last week, the best
6 news we have received here in a long time
7 with Mayor Doherty announcing he is not
8 going to run for reelection. Now maybe we
9 can get someone in office that will pick a
10 competent administration, department heads
11 that will work with council and maybe that
12 way we will get this city straightened out.

13 And talking about department heads,
14 I have a copy of the Home Rule Charter here
15 and I want to read Section 312, and it
16 states, "The council may make investigates
17 into the affairs of the city and conduct any
18 department office or agency in aid of its
19 legislative powers and functions and may
20 issue subpoenas for these purposes."

21 Now, here I am, it was given to me
22 from council's office, a fourth request sent
23 to the mayor and Mark Dougher about a
24 problem I've had with flooding on my corner
25 and it was dated October 5 and to this day I

1 don't think council has heard anything.

2 Now, according to the Home Rule
3 Charter council should -- can subpoena these
4 people, why haven't you? You are getting no
5 cooperation from Mark Dougher and the mayor,
6 why don't you subpoena these people and get
7 them in here? Is anybody going to answer
8 that question? I guess not.

9 MS. EVANS: I would think that the
10 subpoena powers are used in the course of an
11 investigation and, as you said, an
12 investigation would entail I would imagine
13 significant wrongdoing and so this is --
14 this is a case of your request not having
15 been addressed by the administration.

16 Now, I know previously the situation
17 had been addressed. Mrs. Krake is aware of
18 this. She and I worked on this very
19 adamantly and the work was done for you and
20 I understand --

21 MR. SPINDLER: Kevin Murphy had that
22 work done.

23 MS. EVANS: Well, actually, no, he
24 didn't. It was through -- and Mrs. Krake
25 can attest to this because she spoke with

1 the gentleman who actually did the work --

2 MR. SPINDLER: Kevin Murphy got I
3 think it was Jeff Brazil at the time in his
4 office and other people and that's when he
5 got it done.

6 MS. EVANS: Well, that's a difference
7 of opinion. You know, I do know that our
8 office worked very, very hard on that and it
9 was in touch with the individuals who
10 actually did the work and we were the ones
11 that were able to get them to do that work.

12 Now, I understand you have a problem
13 again and I do believe it should be
14 addressed, but I don't believe that it rises
15 to the occasion of a subpoena.

16 MR. SPINDLER: Well, I respectfully
17 have to disagree and I don't think it's ever
18 going to get taken care of now with --
19 because all of these people are just lame
20 duck now and they are going to be out of a
21 job in the next year so they are probably
22 not going to solve the problem, but I hope
23 I'm wrong but I don't think I am.

24 MS. EVANS: We'll continue to pursue
25 that for you.

1 MR. SPINDLER: Thank you very much.
2 And about this Lake Scranton Road situation,
3 I think council should go on, I think the
4 signs should be put up there because I don't
5 think that DeNaples is correct. Their
6 attorney was saying they are taking the auto
7 parts or truck parts or whatever and
8 Mr. Burke was here last week with pictures
9 of dirt and other fill driven down that road
10 and that wasn't the purpose and I think they
11 should go along with the ordinance because I
12 don't think Paul Kelly knows what he is
13 talking about. He says he is afraid they we
14 are going to get sued and I don't think
15 there is a lawsuit there.

16 MS. EVANS: I know that there was
17 discussion in the newspaper article that the
18 ordinance could be or would be repealed, but
19 I can tell you that only city council has
20 the power to repeal legislation and it will
21 not be repealed by this council because I
22 would not place it on the agenda to be
23 repealed, and I agree with you, the signs
24 should be posted.

25 MR. SPINDLER: That's great. Lastly,

1 a possibility.

2 MR. SPINDLER: I'm happy about that,
3 just curious in our situation how we are
4 going to pay anybody else.

5 MR. LOSCOMBE: I'll have more
6 information on that for you. I have been
7 under the weather the last few days so I
8 haven't really got a chance to follow-up on
9 it.

10 MR. SPINDLER: Well, glad to see you
11 here this week, Mr. Loscombe, I did put
12 something in writing last week. I was told
13 by someone when Engine 15 was shut down it
14 was sent to Throop, do you know anything
15 about that?

16 MS. EVANS: Mr. Spindler, I have the
17 response to that, I received it and I am
18 going to report it on under motions.

19 MR. SPINDLER: All right. Thank you
20 for your time.

21 MS. EVANS: You're welcome.

22 MR. LOSCOMBE: Thank you.

23 MS. EVANS: Bob Bolus.

24 MR. BOLUS: Good evening, council.

25 Bob Bolus, Scranton.

1 MS. EVANS: Good evening.

2 MR. JOYCE: Good evening.

3 MR. BOLUS: I have a couple of
4 questions, I guess, I don't know if I have
5 to write them down at the end, but I believe
6 council did receive our written request that
7 was sent to council to questions I had asked
8 last week and other questions that we need
9 to answered. I'm looking at "B" here on the
10 agenda and on the ordinance of the City of
11 Scranton, are the attorneys that are listed
12 in here, financial advisors or whatever it
13 is, is there additional money being paid to
14 them or are they doing this work under their
15 standard pay that they are already
16 receiving? Is there going to be additional
17 fees for their work?

18 MS. EVANS: There will be additional
19 fees depending on the financial transactions
20 that occur in 2013.

21 MR. BOLUS: Why would that be if
22 they are already being paid a salary to
23 represent, like, Paul Kelly represents the
24 City of Scranton as the solicitor, this is
25 Scranton business. Why would they need a

1 special appointment and more compensation in
2 a city that can't pay them what we are
3 paying them already and handing out more
4 money to them when they are being paid to do
5 a job?

6 MS. EVANS: Well, one of the
7 individuals or entities that is receiving
8 the contract is Casecon, and that is the
9 company that has worked very closely with
10 the city council and Attorney Boyd Hughes to
11 ensure that the I's are dotted and the T's
12 are crossed and there is nothing in the
13 transaction that's inappropriate.

14 The other two individuals are
15 council solicitor Boyd Hughes and city
16 solicitor Paul Kelly. I can't speak to the
17 city solicitor, but I can speak for the work
18 done by the council solicitor and it is well
19 above and beyond his duties, and I'm sure
20 you would remember since you come to council
21 almost every week for many, many, many years
22 there has been no solicitor, not since I
23 have been seated and not since I have viewed
24 the meetings, who has ever done this type of
25 work before for the city. None of them were

1 involved in financial transactions, none of
2 them were involved in let us say a takeover
3 of a municipal authority. There are many,
4 many instances where Attorney Hughes has
5 gone well above what is required by this
6 position and I believe he should be paid.

7 MR. BOLUS: Mrs. Evans, I'm with you
8 100 percent on qualifications and what they
9 can do, it's just that, you know, we go out
10 and bid a job and we do the job that's it.
11 We don't come back and say, "Well, gee, we
12 are going to need a little more expertise on
13 this or that so you are going to pay us much
14 more."

15 You know, it is what it is, and I'm
16 just looking at the finances of the city and
17 with the expertise and, unfortunately,
18 sometimes we take jobs we shouldn't take or
19 not have a better explanation, whether Boyd
20 represents council or Paul Kelly represents
21 the city. This is city business.

22 MS. EVANS: Yes, it is, but I think
23 you also are aware that there has been 11
24 years worth of significant problems that
25 have that were brewing, festering and then

1 came to fruition in the city and the house
2 of cards came tumbling down and I feel it
3 was imperative that city council had a
4 attorney in place, an objective attorney
5 that was not connected to the
6 administration, that would do the work of
7 this council and the people of this city in
8 order to check into everything, to make sure
9 that the right things were occurring and put
10 an end to what had been going on for all of
11 those years, and I can tell you now that
12 would have been completely impossible for
13 this council to do without the work of the
14 Boyd Hughes.

15 MR. BOLUS: I'm never questioning his
16 integrity or his work ethic, I'm looking at
17 dollars and cents, that's what I'm looking
18 at. I'm looking at a city that the cards
19 have fallen. They are not done falling
20 because the hammer hasn't fallen on the top
21 of the cards yet, so we are not out of the
22 woods by any stretch of the imagination.

23 MS. EVANS: That's true, but we don't
24 want to go deeper into the woods because we
25 don't have someone competent who is on the

1 side of the taxpayers representing us and
2 making sure that the right things are done.

3 MR. BOLUS: Okay, and I agree.
4 That's only Boyd Hughes we are talking
5 about, now you got Paul Kelly on the other
6 hand. You know, you put two lawyers in a
7 town when there was only one lawyer and he
8 drove a Volkswagon. You put two lawyers in
9 the town now they are driving brand new
10 Mercedes because they agree to disagree.
11 I'm looking at costs, I'm looking at the
12 legal profession. I'm looking at the asset
13 we are selling. I would want an estimate of
14 exactly what it's going to cost for the
15 representation or I would put it out for
16 bid. There are competent people out there
17 that are as knowledgeable, and others may be
18 even more knowledgeable. I'm looking at how
19 we don't continue to crawl over the dollars
20 to get to the pennies in the city so I would
21 put it out for bid.

22 As we can see what Paul Kelly has
23 done in the past, prime example of what he
24 can and cannot do was evidenced by the
25 hearing before the three judges. Didn't

1 have a hoot what was going on, so how are we
2 going to sit here and say he could agree to
3 do this or, yeah, it's a good deal to sell
4 an asset. You know, I don't want to see
5 this go where the golf course went. I don't
6 want to see another wayward wind as our
7 money just flies away and in the end we have
8 nothing to show and then we are going to
9 sell another asset and another asset and
10 what's left, city hall?

11 You know, you have the captain of
12 our ship right now who is jumping the ship
13 and, you know, if everything I have ever
14 seen from the captain on the Titanic, which
15 I have categorized Scranton as, we are on
16 the Titanic. Unfortunately, that captain
17 went down with the ship, but Chris Doherty,
18 the captain of the City of Scranton whose
19 more than piloted this ship into the
20 disaster it's in is jumping the ship.

21 Now, why? Because you know you
22 can't resurrect and save the ship. It's
23 going down and it's going to go down. No
24 matter what assets we liquidate my question
25 and my letter here, and I would like to know

1 when I could get a response to my questions
2 that I submitted. You know, I don't want to
3 see it go because there is questions on here
4 I have asked numerous times, I'd like a
5 deadline as to when my questions would be
6 answered since I'm now compelled to pull all
7 of the issues in writing, which is time
8 consuming for me not only coming to the
9 council meeting, but to go back and sit
10 here, you know, put them in black and white
11 again.

12 So if you can give me a deadline
13 when I can expect answer or not. They're not
14 hard questions, I think they are very simple
15 that I raised last week. Did the city
16 firemen get a couple of checks? When, who,
17 how, when and where. It's all black and
18 white. The question about a deed to a
19 property on East Mountain. Shouldn't be
20 hard, Paul Kelly has been asked that
21 question numerous, numerous time. There is
22 a \$50,000 offer on it, but yet nobody is
23 getting an answer to where we are going.

24 So if you can give me a time frame
25 or when we could expect an answer to our

1 written responses I'd appreciate that.

2 MS. EVANS: Thank you.

3 MR. BOLUS: Okay, well, I didn't get
4 an answer to that question, Mrs. Evans. Can
5 I expect when I can get a response by what
6 time frame from writing a letter to you and
7 asking these questions? Could I get them at
8 next week's meeting?

9 MS. EVANS: If we are able to get the
10 answers by then, yes.

11 MR. BOLUS: Okay, you would give me
12 an answer either way next week whether I'm
13 here or it would be a correspondence back to
14 me with the answer?

15 MS. EVANS: Oh, we could do that as
16 well, sure.

17 MR. BOLUS: Yeah, either way I'd like
18 some kind of a correspondence and response
19 next week before the meeting.

20 MS. EVANS: Well, as soon as --
21 again, as soon we are able.

22 MR. BOLUS: They are not hard
23 questions.

24 MS. EVANS: As soon as we are able
25 to answer them -- -

1 MR. BOLUS: Well, this is a guy you
2 want to hand more money to, Mrs. Evans, and
3 you want to pay him additional money to sit
4 here and handle the city assets, I'm asking a
5 stupid, simple question, produce a deed. If
6 shouldn't be that complicated nor should it
7 be complicated on did anybody get extra
8 money and where it came from. Thank you.

9 MS. EVANS: Thank you. Doug Miller.

10 MR. MILLER: Good evening, council.
11 Doug Miller, Scranton.

12 MS. EVANS: Good evening.

13 MR. MILLER: The first issue I would
14 like to address tonight is regarding the
15 Lake Scranton Road issue that was raised
16 last week by a speaker and obviously got
17 some attention in the paper over the week.
18 I just personally believe that -- I don't
19 feel that any resident or taxpayer should
20 have to deal with that annoyance of having
21 trucks go through that part of town causing
22 a disturbance and every other issue that
23 it's caused for them.

24 You know, the individual that was
25 here last week provided photos and other

1 documentation for council and, you know,
2 Mrs. Evans, I do appreciate your statement
3 earlier tonight that, you know, as we all
4 know anybody that follows government knows
5 that council is the only legislative
6 authority that has the ability to repeal any
7 legislation, and then I was glad to hear
8 tonight that that won't make the agenda and
9 you won't repeal that because I personally
10 don't feel any resident should have to deal
11 with that and anybody that feels it should
12 be repealed certainly isn't looking out for
13 the residents of this city.

14 Regarding the parking meters in
15 today's paper, an article in the Times, we
16 are now sort of moving on track to bring in
17 some sort of new technology and generate
18 revenue for the city. This has been going
19 on for months now as we just been harping on
20 with StreetSmart and other entities that
21 have come in and placed bids, I'm just
22 hopeful at this point in time that something
23 will be put in place, but the only issue and
24 concern that I do have when this is finally
25 put in place I want to make sure there is

1 transparency and accountability.

2 As we all know, what caused this
3 mess in the first place with the Parking
4 Authority was a lack of transparency and
5 accountability. The wool was pulled over
6 our eyes, things were kept from us, and we
7 didn't know what was going on and thanks to
8 the work by Attorney Hughes and others that
9 were instrumental in unraveling this whole
10 mess and bringing it to light and turning
11 this thing around we now know what has
12 occurred, but I'm just hopeful that with
13 this new program, even here in city hall
14 and, in fact, in council's office and the
15 clerk's office we have the ability to see
16 what goes on each and every day with those
17 meters, what's going in and what's coming
18 out. With new technology today I'm sure
19 there is a way to have some sort of computer
20 or some sort of device within council's
21 office that allows us to see exactly what is
22 going on and how much money is being fed in
23 those meters each and every day and where
24 it's going so there is accountability and we
25 know what's going on and things aren't

1 mismanaged because as we know with the
2 Parking Authority it has caused such a
3 massive debt and has added to the
4 astronomical debt that this city has
5 occurred because of incompetent and
6 leadership by those who have caused quite a
7 headache, and thankfully they are no longer
8 there and I'm just hopeful that we will turn
9 this around and realize the revenue that the
10 city needs very much. We know we have the
11 ability, as we know, looking at estimates
12 in the recovery plan of well over \$2 million
13 each year if it's done the right way.

14 Regarding the MBR0s, the market
15 based revenue opportunity, I mentioned this
16 last week, I'm hopeful that now it's been
17 put out to bid a second time that someone
18 will come forward and that we realize that
19 revenue. We are looking at over \$350,000
20 that we have the ability to bring in. We
21 need the revenue, as we all know. You know,
22 coming into this year already we are looking
23 at holes and we are only at January 10.

24 So it's certainly a concern and I'm
25 helpful that we realize these things and

1 that difficult decisions do have to be made.
2 You know, tonight there is emergency
3 legislation, emergency certificate attached,
4 so we know tough decisions have to be made.

5 There has been discussion tonight
6 that, you know, we have talked about people
7 going above and beyond. We know the people
8 who have put the work into it and we know
9 those who sat back and they have slacked off
10 and they are grandstanding and played to TV
11 cameras. Certainly those who have gone
12 above and beyond are worthy of a reward or
13 compensation because they have done work on
14 behalf of the taxpayers. We haven't seen
15 that in decades.

16 You know, Attorney Hughes has been
17 quite instrumental on a lot of key things
18 that have gone over, particularly over the
19 summer with the recovery plan and this
20 budget, and most of all the Parking
21 Authority and the issues he has had to deal
22 with financially others wouldn't take on in
23 the past.

24 You know, it all goes back to the
25 creativity in the city that we need in city

1 government and realizing revenue that we
2 need. You know, it was stated earlier
3 tonight that it may be impossible to turn
4 this thing around. I disagree with that. I
5 don't feel it is impossible. Certainly
6 looking at the challenges we face today it
7 may seem impossible and people may be ready
8 to give up and, obviously, what transpired
9 over the past summer you would certainly
10 come to that conclusion, but I know that
11 when you come together and you put politics
12 aside and you put egos aside and you work
13 cooperatively you can achieve anything. That
14 was proven with the recovery plan and it was
15 proven with the budget. Both sides of
16 government came together and that's what we
17 need to continue to do moving forward.

18 This isn't about playing favorites,
19 it's not about pointing the finger. We
20 can't afford to go backwards, we need to
21 continue to move full speed ahead and if we
22 do that we can turn the city around. Thank
23 you.

24 MS. EVANS: And just maybe to add
25 something to what was just said, I think

1 maybe some of the speakers forget the fact
2 that Attorney Hughes saved the city
3 approximately \$700,000 in a Parking
4 Authority bond payment in 2012. \$700,000.
5 That's well over half a million dollars.

6 Now, in addition to that I know it's
7 been proposed put this out to bid. When you
8 put it out to bid there are specs included,
9 and I can tell you that Mr. Hughes has gone
10 well above the specs, but setting that
11 aside, if it's put out to bid then the mayor
12 will decide who is hired, and so I think you
13 can assume then where Attorney Hughes would
14 stand.

15 But in addition to that, when you
16 put something out to bid it seems that there
17 is very often extra costs involved. It's
18 bid for one amount and then the individual
19 or company selected comes back with costs
20 overruns and this didn't go according to
21 plan and so now we need to add this to it
22 and so the cost grows sadly, but that's what
23 I have seen in my years on council, that
24 very seldom, if ever, did a bid stay at its
25 original starting point, they grow and grow

1 and grown once the person has been hired.

2 Our next speaker is Ozzie Quinn.

3 MR. QUINN: Good evening.

4 MS. EVANS: Good evening.

5 MR. QUINN: Ozzie Quinn, Scranton
6 Taxpayers, Incorporated. Yesterday in the
7 Times-Tribune there was an article for a
8 planner from a nonprofit that came into
9 Scranton and spoke about downsizing a lot of
10 the infrastructure, transportation and
11 development where we can afford it, you
12 know, and it was called Strong Town, the
13 organization, and was a curbside chat at
14 Weston Field. They didn't have many people
15 there according to the paper, but I have to
16 agree with what Mr. Miller just said that we
17 have turn this around and I have to agree
18 with what Mrs. Schumacher, my colleague on
19 the Taxpayers' Asssocation, let me just
20 read from it.

21 "We think all of the new
22 infrastructure is going to lead to growth
23 and be good, Mr. Morrow, he is the
24 consultant said. However, our future will
25 be collection of small projects, three

1 adults and two children attended the
2 presentation. Scranton resident, Marie
3 Schumacher, said the talk was interesting
4 and resonated with her. For example, she
5 wondered what the city could have done with
6 the money that was spent on the Renaissance
7 of the 500 block of Lackawanna Avenue."

8 And also Ms. Schumacher in my
9 opinion is right on. There is no doubt
10 about it. She is not a Monday morning
11 quarterback and I started coming here in
12 2006 and formed the Taxpayers' Association
13 and I know that Andy Sbaraglia sat and came
14 up here at every meeting and kept on telling
15 us about the debt, and I'd be remiss if I
16 didn't give Mrs. Evans credit for doing what
17 she is doing and to try and pull the city
18 together.

19 I can recall back six years ago she
20 spoke about the Doherty debt and warned the
21 council members, warned the council members,
22 do you want a bid out for another attorney?
23 You know, Carl Greco, who is a big
24 contributor to Mayor Doherty's campaign? He
25 is the solicitor for OECD, he became a

1 millionaire. He bid out. You know, when
2 you bid out he is the only one that
3 fulfilled the specs. Is that we want to
4 happen?

5 Now, I worked with Boyd Hughes at
6 the Scranton Redevelopment Authority, he was
7 my boss. I worked before Boyd Hughes and I
8 worked on land use and I worked on blight
9 studies, all right? And I did, when I
10 worked for a private consultant, and we put
11 together urban renewal projects. Boyd
12 Hughes eventually was on the board and
13 became the Chairman of the Board of the
14 Redevelopment Authority the and I know that
15 Boyd Hughes has the ability and capability
16 and the know how to help pull the city
17 together.

18 And as Doug said, I'm behind this
19 council the majority, I know the majority, I
20 can't trust Mr. McGoff because he was here
21 and I know he went with Mr. Doherty on every
22 roll call, so what I'm saying is that we got
23 to pull together, you know, and we have to
24 do something. I, myself, what can I do?
25 You know, I worked a lot of years in

1 redevelopment and economic development and
2 what not, okay, I would be glad to
3 volunteer, okay, no charge to help the city
4 put together a Housing Rehabilitation
5 Program. That's one thing, okay? Just
6 think of that money that went down on
7 Lackawanna Avenue went across the city. You
8 know, from the 2000 Census to when Doherty
9 took over to the 2012 we lost 2000 -- there
10 was a negative 2000 houses. That means they
11 were demolished, even with all of those KOZs
12 that were constructed and all of the other
13 housing, you know, there is more houses
14 being demolished than are being constructed.
15 How can you actually build a city like that?
16 You can't. You know?

17 We have to find creative ways to
18 sell this land off and help these people out
19 there. I have people call me all the time,
20 "How can I get money? How can I get help to
21 fix wiring on my house? How can I fix the
22 leak in my roof, you know, what can I do? "

23 You know, what can I say? Nothing.
24 I appreciate it if you could consider my
25 proposal. Thank you.

1 MS. EVANS: And thank you very much,
2 and I believe that is something that we need
3 in that, you know, if a plan or program can
4 be developed prior to the allocations for
5 CDBG, which typically would occur in
6 September, and I think the applications come
7 out in June or July and are submitted
8 perhaps by August 1, I think there should be
9 application made for just such a program as
10 you have outlined.

11 Our next speaker is Anthony
12 Palmiera.

13 MR. PALMIERA: Yes. Good evening,
14 council members and thank you for the
15 opportunity to speak and I thank the
16 previous speakers. This is my first council
17 meeting attending, I'm impressed with their
18 interest in trying to save the city and to
19 you, too. Thank you for your work that you
20 do.

21 Also, I want to mention that there
22 were two men that came up talking about the
23 situation on Lake Scranton Road. Well, I
24 would benefit from the council's proceeding
25 and keeping that ordinance because I live on

1 225 Lake Scranton Road. In fact, I'm right
2 next to the access road that was in the
3 discussion that the company -- I'll give you
4 a little history, I moved there in 2008,
5 they were working on that road. That road
6 existed, but it was run down so they beefed
7 it up, they put in new drainage so they can
8 use it as an access for their business. So
9 I'm thinking to myself at the time I just
10 bought the house, I said, "What's going on
11 here and why are you doing this?"

12 They said, "Well, it's going to be
13 an access, an emergency access road."

14 I thought what does that mean, an
15 emergency access road. So as years go on
16 more and more trucks are going down the road
17 across in front of my house. So I'm
18 retired, I'm sitting there saying, "I'm
19 paying very high taxes here, I couldn't move
20 to Greenridge, I'm paying very high taxes
21 here and I'm watching these trucks go by."

22 And to the person living on Keyser
23 Avenue, that wouldn't mean anything because
24 trucks goes by on Keyser Avenue, but if you
25 are living in Greenridge and you're paying

1 high taxes and these trucks are going by you
2 would say -- call someone and say, "What's
3 going on here? Why are these trucks going
4 by?"

5 So when the business says, "Well, we
6 need this access," I would say to the
7 business and, council, fortunately said this
8 I guess, "Well, where was your original
9 access? Why do you need a new access?
10 You've had this business for years, use your
11 original access."

12 Well, I don't know if I'm accurate
13 about this, but the bridge that they are
14 talking about, I ride across that bridge
15 every day. The bridge says "Limit 23 Tons."
16 Common sense to me says don't drive a truck
17 over 23 tons over that. That's all. It's
18 that simple to fix. Evidently something
19 else is going on behind the scenes, I'm not
20 a business person so I can't answer that.
21 Something else must be going on that they
22 don't like to do that, maybe it costs too
23 much money, I don't know.

24 So I got so annoyed, I'm sorry if
25 I'm losing my temper, I get so annoyed

1 because five things are going on and it's
2 not the business of council. ATV's are
3 driving by making a racket. Pickup trucks
4 are driving by making a racket. Litter is
5 being thrown there. I'm in Greenridge. I'm
6 thinking, this is Greenridge? And then the
7 trucks come by so that's the icing -- that's
8 the straw that broke the camel's back when
9 the trucks started doing it. I can block my
10 ears when the ATV's and the pickup trucks,
11 but when the big trucks keep going by back
12 and forth it's like an elephant walking
13 through your living room. You see this big
14 truck full of dirt, it has a cover on it.
15 Sometimes junk goes by. I see the scrap
16 metal going by in a truck in front of my
17 house. This can't be.

18 So if the business says to council,
19 "Well, that's a business expense and I'm
20 sorry, but we will have to do it that way,"
21 I would say to the businessman, "I'm sorry,
22 you have to pay some other expense some
23 other way and handle it."

24 The city council is protecting my
25 invest because if I wanted to sell my house

1 when this truck goes by who would be
2 standing there looking saying, "Oh, I'm
3 going to buy your house. Oh, what is this
4 going on?"

5 "Oh, that's an access road to a
6 scrap yard right down the hill there."

7 That's not fair to me. I pay taxes
8 and I pay a lot of money for the property,
9 so I thank you for keeping the ordinance in
10 effect. And I have a question for you, I
11 heard that it's on the mayor's desk, is this
12 true it's on the mayor's desk and he has not
13 signed it, is that true, or is it in effect
14 this ordinance?

15 MS. EVANS: Mrs. Krake, has it been
16 signed by the mayor? I thought it was.

17 MS. KRAKE: Yes. The ordinance has
18 been approved.

19 MR. PALIMIERA: Does the mayor has
20 to sign it?

21 MS. EVANS: Yes, but it's --

22 MR. PALIMIERA: But he did sign it?

23 MS. EVANS: Yes.

24 MR. PALIMIERA: Oh, well, that's
25 wonderful then. Thank you.

1 MS. EVANS: Yes, it is an ordinance
2 that should be enforced. It was legally and
3 lawfully adopted by Scranton City Council,
4 sent to the mayor for his signature, which
5 he provided, and that makes it now an
6 ordinance or law of the City of Scranton and
7 as part of that ordinance signage was to be
8 posted.

9 MR. PALMIERA: Yes.

10 MS. EVANS: My understanding is that
11 has not occurred. I know that there were
12 conversations between a resident of Lake
13 Scranton Road and Mr. Dougher, head of the
14 DPW. It seems to lead back to Attorney
15 Kelly, the city solicitor, and then, of
16 course, a letter that was received by the
17 city solicitor from counsel representing
18 DeNaples Auto Parts, but be that as it may,
19 I understand that the police department
20 can't enforce our ordinance until the
21 signage is posted.

22 MR. PALIMIERA: I see.

23 MS. EVANS: And it is my belief that
24 the signage should be posted.

25 MR. PALIMIEAR: Well, how concerned,

1 if you can speak to this, how concerned is
2 the council about the threats from the auto
3 parts company about suing the city over it?
4 Is that a legitimate threat? Is this
5 council going to back off because of that?

6 MS. EVANS: I can't speak for
7 everybody on council, but I feel my job as
8 an elected official is to serve the people
9 of the City of Scranton and this is a safety
10 issue and it's also a quality of life issue.

11 MR. PALMIERA: Yes, it is. Yes, it
12 is.

13 MS. EVANS: And it is my job to make
14 sure that your safety and your quality of
15 life is protected and so I am not deterred
16 by a lawsuit.

17 MR. PALMIERA: Thank you. I
18 appreciate that. And again, thanks for all
19 the efforts you did to protect our property
20 because I feel sometimes I want to move
21 because of what's going on and I don't want
22 to move. I don't have to.

23 MS. EVANS: I understand.

24 MR. PALMIERA: So thank you.

25 MR. LOSCOMBE: Thank you.

1 MS. EVANS: We do have, as I think
2 was discussed last week as well, we do have
3 major problems in Bellevue with truck
4 traffic and this has been ongoing since I
5 believe 1995. The city has an ordinance and
6 most often the police have not enforced it.
7 We are working on amending that particular
8 ordinance so that it will be enforced
9 because the issue within Bellevue is that it
10 is a cave in area and homes have actually
11 been destroyed because of the truck traffic.
12 People's garages have crumbled as trucks
13 travel their houses are shaking, there are
14 cracks in their foundations and, you know,
15 within the structures of the homes, the
16 garages, the sidewalks, etcetera. So that's
17 an equally important situation and that must
18 also be taken care of.

19 MR. ROGAN: Mrs. Evans, before the
20 next speaker, I was going to talk about this
21 under motions, but I guess since we are
22 talking about it I'll address it now. I
23 made comments in the paper to Mr. Lockwood
24 when he asked about the possibility of a
25 lawsuit what would happen and, obviously,

1 I'll say this, I hope that there isn't a
2 lawsuit that costs both parties money. I
3 think the best solution is hopefully to get
4 all of the parties involved at table
5 together and try to work something out that
6 works for everyone.

7 I also mentioned in that same
8 article that there may be an exemptions for
9 local deliveries and some people probably
10 misconstrued what I said. I wasn't saying,
11 well, this is a local delivery, what I was
12 saying was usually when you see that type of
13 signage it says, "Except Local Deliveries."

14 Now, how you consider a local
15 delivery, whether it's a package from UPS or
16 whether it's 20 tons of dirt, you know, a
17 local delivery could cover all of that. I'm
18 not an attorney and that's what I was trying
19 -- the point I was trying to get at when
20 speaking to the reporter was that I'm not
21 sure if there is an exemptions in there, if
22 it would fall under the law or if the law
23 has to be changed, and as I was voting for
24 -- you know, I voted for it and the
25 concerns brought to council it seemed like

1 the common sense thing to do and that's why
2 it passed council.

3 So I just wanted to clear that up
4 that I wasn't saying, you know, that I
5 believe it's a local delivery and it should
6 be exempt, I'm saying that may be a loophole
7 in the law, but I do believe than an
8 agreement should be made between all of the
9 parties that works for everyone instead of
10 going to Court which would be very costly
11 and definitely something the city can't
12 afford right you now.

13 MS. EVANS: And not only can't the
14 city afford it, but I don't think there is
15 any financial gain at this point from suing
16 the city for anyone, so I'm hoping that
17 bright things are going to occur and that
18 city government recognizes and remembers
19 that it's here to protect the residents of
20 the City of Scranton and certainly we are
21 not here to impede commerce, but I think
22 when another route of travel is certainly
23 available and other options as well are
24 available that an agreement should be made
25 that's going to first and foremost protect

1 the homeowners and also satisfy the
2 business.

3 MR. DOBRZYN: Good evening, Council.
4 Dave Dobrzyn.

5 MS. EVANS: Good evening.

6 MR. DOBRZYN: See if I can get this
7 in in five minutes. Okay, I'd like to
8 express support for council in what they are
9 doing and it is an election year, so I don't
10 know how many of you intend to run or
11 whatever with your terms being up, but
12 please emphasize almost weekly if necessary
13 bankruptcy and the negatives because there
14 is a lot of confusion out there.

15 And I was approached by a person at
16 a shopping center, and I didn't have a
17 chance to get his name, I was in a hurry, I
18 had to get my wife out to work, but his NCC
19 payments for trash are still in limbo and he
20 seems to be running back and forth, so if he
21 sent something in with his name to council
22 addressed to me, I received comments about
23 my hair, so somebody could slip me the
24 envelope and I'll approach the appropriate
25 party if we could maybe help him get it

1 straightened out. He apparently paid his
2 bill through NCC and it's not being
3 recognized by anybody and --

4 MS. EVANS: Well, if he could contact
5 our office --

6 MR. DOBRZYN: Right. Right.

7 MS. EVANS: 348-4113 I'm sure we can
8 work with him to try to get this
9 successfully resolved.

10 MR. DOBRZYN: And I'll probably bump
11 into him up at Gerrity's, I usually see him,
12 so I'll try get his name and some of the
13 facts.

14 But, okay, on page three of the
15 Scranton Times or Times-Tribune today it was
16 announced that our commissioners are looking
17 to buy a building on Washingtin Avenue which
18 would undoubtedly take it off the tax rolls.
19 Once again one more building loss. I was
20 wondering if Mr. Chelik, the mayor of
21 Mayfield, would like to chip in for that and
22 help compensate us seeing as he was so
23 concerned with us trying to find alternative
24 taxes.

25 And seeing as Mayor Doherty has

1 announced that he has no plans to rerun, I
2 think it's way past time that we address the
3 term of the mayor as two terms for
4 executives only especially because I think
5 after two terms they pretty much have lived
6 out there productive importance and after
7 that it seems to get into a lot of negatives
8 or what have you and I see in other mayors,
9 I don't just want to pick on him. For
10 instance, the Hilton was conceieved through
11 a prior adminstration they have been in town
12 three times. They get all kinds of things,
13 including the parking garage and they took
14 advantage of the train station and sold it
15 off for two years, all type of tax subsidies
16 and economic development money, so it's just
17 a thing we don't need this, and I think it's
18 time for two- erm executive.

19 And on that snow, I think it is the
20 responsibility of the people who occupy the
21 corner and we should have some cooperation
22 from the Times to get that out and have
23 these institutions and businesses clear at
24 least the disabled access.

25 And, okay, now we are to the golden

1 parrot, which is so dearly loved. AIG,
2 there is a previous Mr. Greenburg, he is
3 looking to sue over the bailout for \$25
4 billion and \$22 because he doesn't like the
5 way he was treated in the bailout, which was
6 part of our financial collapse. Shame,
7 shame, shame, Mr. Greenburg, why aren't you
8 in prison already?

9 KBR Corporation, Halliburton, they
10 have indemnity, meaning that we are
11 responsible for the talks since they exposed
12 our troops in Iraq, you killed two already,
13 and they want lied and it was classified.
14 They lied to the troops saying it was a mild
15 irritant. Hexavalent chromium, mil
16 irritant. Don't worry about it. Don't
17 worry about it.

18 And that's about all I have for
19 tonight, so thank you and have a good
20 evening and I got to in before the bell.
21 Thank you.

22 MS. EVANS: Is there anyone else?

23 MR. EVANS: Good evening, Gregory
24 Evans, resident and small business owner in
25 Scranton.

1 MS. EVANS: Good evening.

2 MR. EVANS: Just a couple of
3 comments on what's going on here and what
4 some other citizens have mentioned. I think
5 everyone generally is satisfied with the
6 work of Boyd Hughes and his performance over
7 the past few years, but more specifically, I
8 know he is going beyond the greater scope of
9 his role, but whose job is he doing then
10 specifically? Is he doing --

11 MR. ROGAN: Paul Kelly. That's what
12 I believe.

13 MR. EVANS: Okay, and Mr. Bolus made
14 a comment regarding the additional costs,
15 and they may be right, and I'm not here to
16 debate whether they or not, but is there a
17 way to estimate those additional costs?

18 MS. EVANS: The fees?

19 MR. EVANS: The fees, yes.

20 MS. EVANS: The fees I don't believe
21 can being estimated in advance of financial
22 transaction because each one is very
23 different, each one requires a different
24 amount of work, so I really think it's an
25 individual case. It has to be taken on a

1 case by case basis.

2 MR. EVANS: Maybe like a ballpark,
3 like, threshold of thousands to \$10,000 you
4 know what I mean? Nothing?

5 MS. EVANS: No, because I believe, at
6 least I don't know how Mr. Kelly handles
7 this, but I know that Attorney Hughes does
8 keep track of the hours that are worked, the
9 hours that are put in by his own personal
10 staff, no one from city government, and so
11 that's how he keeps hours what his fee would
12 be.

13 MR. EVANS: Is that something he
14 might be able to answer when he returns that
15 he might be able to say, "I anticipate, but
16 don't hold me to it."

17 MS. EVANS: You can certainly ask
18 him, yes.

19 MR. EVANS: Thank you. And regarding
20 this special council, which includes
21 Mr. Hughes and Mr. Kelly and Casecon
22 Capital, it mentions the sale of city assets
23 as a possibility, and we know over the years
24 we have lost many great city assets due to
25 just, you know, filling in deficit gaps and

1 a lot of the citizens are upset over those
2 loss of those assets, and I believe
3 rightfully so because the one time shot in
4 the arm you lose a great asset just to fill
5 the hole, and I understand it might seem
6 necessary, but there is a way that council
7 can keep us abreast of what those -- during
8 the discussions of what assets are being
9 pondered for sale so we may have some input
10 on our feelings towards selling more assets
11 of the city?

12 MS. EVANS: I think once the decision
13 has been made to put something out to bid
14 and it becomes public then certainly, you
15 know, the public should weigh in, but I can
16 tell that sale of an asset isn't something
17 that I take lightly. It's something that I
18 have researched to the best of my ability
19 and what would be selected, what should be
20 best selected in my opinion would be one
21 that is currently an albatross, and by
22 selling it you will, number one, pay off all
23 of it's debt 100 percent so that is not
24 passed onto the taxpayers as it currently
25 stands, because we all know that much of the

1 debt of the municipal authorities are
2 guaranteed by the taxing power of the City
3 of Scranton, so that would eliminate all of
4 the debt that's owed on that asset, and then
5 whatever can be gained above and beyond that
6 would come into the city.

7 MR. EVANS: Okay. And when it comes
8 to selling the assets is that something that
9 the council votes upon or is that determined
10 by the administration?

11 MS. EVANS: I believe it would
12 involve both the executive and the
13 legislative branch. I know that I have been
14 and Mr. Joyce as well we have been involved
15 in talks concerning such a sale since
16 November of 2012.

17 MR. JOYCE: That's accurate.

18 MR. EVANS: Thank you. And one last
19 item, 7-F, Mr. Rogan actually mentioned this
20 last meeting, the appointment of Stuart
21 Renda. Now, I don't know Stuart Renda
22 personally or professionally, I just know
23 him as the former business administrator;
24 correct?

25 MS. EVANS: Yes.

1 MR. EVANS: And it was mentioned and
2 it was prior mentioned about the house of
3 the cards falling and it's a great reference
4 because here is a business administrator who
5 was -- correct me if I'm wrong, but the
6 business administrator is also deputy mayor?

7 MS. EVANS: Not necessarily. I
8 believe the current business administrator
9 serves as the deputy mayor, but it's most
10 likely at the appointment of the mayor.

11 MR. EVANS: That's regardless because
12 --

13 MR. ROGAN: I believe it was Jeff
14 Brazil at some point, also, so it's not
15 always the business administrator.

16 MR. EVANS: Well, that's kind of
17 regardless, thank you for clarifying that,
18 but in his role as business administrator it
19 seems that he had a good leadership role
20 with the city and as the house of cards are
21 falling he was one of those people involved
22 with the administration, obviously, and if
23 Mr. Rogan mentioned, and I support what he
24 did say, that I question whether he should
25 be in another capacity or authority, whether

1 it's with the city or with the city's
2 authority I ask that you consider that, too,
3 please.

4 MS. EVANS: Thank you.

5 MR. EVANS: Thank you.

6 MR. LOSCOMBE: Thank you.

7 MR. JACKOWITZ: Good evening, city
8 council. Bill Jackowitz, South Scranton
9 resident.

10 MR. LOSCOMBE: Good evening.

11 MR. JACKOWITZ: I'd like to start off
12 today by wishing of City of Scranton a happy
13 anniversary. 21 years ago today the Ccity of
14 Scranton became a distressed city under Act
15 47 so tomorrow we start year 22. I'd like
16 to thank all of the elected city officials
17 who have been elected during that 21 years,
18 and especially Mr. Harold Cross -- or Gerald
19 Cross, excuse me, from PEL for allowing this
20 to happen. I think it's a slap in the face
21 to all residents and taxpayers of the City
22 of Scranton to be distressed for 21 years
23 and I hope by the end of 2013 the City of
24 Scranton is no longer distressed.

25 Okay, the 2013 budget. I can't

1 understand how we can have \$109 million or
2 \$111 million city budget when the county
3 budget is like 92 or 94 million. I hope
4 someone will explain that to me later
5 because I think is county is larger than the
6 city, but I might be wrong.

7 As far as the recovery plan, the
8 recovery plan was a shame and that was
9 exposed in the Court hearings. I attended
10 the two days of the Court hearing. I
11 listened to the four city witnesses testify.
12 I listened to the questions that the judges
13 asked, okay? The city had no answers. How
14 can you go into a Court unprepared like the
15 city was. They had no answers. Everything
16 was speculation. Everything was smoke and
17 mirrors. Everything was, this is going to
18 happen, and the judges picked up on that,
19 that's why they ruled against the city.

20 So, again, I hope that when we do
21 get a revised recovery plan I hope it's one
22 that is going to work because this one
23 failed. It was a complete failure, and not
24 only did I see that, the people from outside
25 of the community saw it and so did three

1 Lackawanna County judges, because otherwise
2 they would not have ruled against the city.

3 The testimony was -- you know, the
4 best part of the testimony was when the
5 business administrator testified under oath
6 that there were 60,000 to 70,000 commuters
7 coming into the city every day. That's a
8 sworn -- didn't he testify to that,
9 Mr. Joyce?

10 MR. JOYCE: That is correct.

11 MR. JACKOWITZ: I mean, how -- he is
12 the business administrator. How is the city
13 going to go in there and defend a recovery
14 plan and ask outsiders, the commuters, to
15 give money when the administration and the
16 business administrator and the mayor don't
17 even know what's going on? Anyway, that's
18 all I got to say.

19 How do we fix Scranton city
20 government? First of all, we have to cut
21 spending and we have to generate more
22 revenue. We have to keep accurate accounts
23 of funds. We have to know what money is in
24 what account and how much is in that account
25 and someone has to be held accountable and

1 responsible for that.

2 Okay, we have to hire qualified and
3 competent people. We haven't been doing
4 that. I came in here and read Mayor
5 Doherty's sworn testimony from 2010 that
6 verified that the mayor did not -- was not
7 hiring competent and qualified people when
8 he was talking about David Elliott and Lisa
9 Moran and all of these other people. We
10 need to look into this and we need to
11 research it, the administration and city
12 council.

13 We have several elected officials in
14 this city. The mayor, the five members of
15 city council and the controller. The seven
16 of you should be working together and be on
17 the same page at all times, okay? We need to
18 place qualified and competent people in
19 management and supervisory positions. Stop
20 the bickering between elected officials,
21 including city council members. Reduce
22 costs including the biweekly payroll
23 retirement benefits, health costs, eliminate
24 fraud, waste and abuse or at least reduce
25 it.

1 Work together with the school board,
2 the county commissioners, Single Tax Office,
3 state representatives and state senator.

4 Conduct semi-annual public meetings
5 to discuss the problems the area faces such
6 as high unemployment, low wages, cooperate
7 government, mismanagement of the taxpayers'
8 money and above all hire competent people.

9 Stop using the Court system to solve
10 the problems the elected officials were
11 elected to solve. Eliminate the high number
12 of attorneys that are on the payroll and
13 reduce their fees. No attorney in this this
14 city deserves a raise, not until city is no
15 longer distressed.

16 Actually respond to the calls that
17 are made to the hotlines. Have someone
18 answer the phone at DPW 24/7. Stop doing
19 charity such as cleanup before and after
20 public events such as First Night, St.
21 Patrick's Day parade. Charges everyone who
22 visits Nay Aug Park for the Christmas light
23 show just like you charge everyone to use
24 the the pool, the slide at Nay Aug Park.

25 And most importantly, fire the

1 Pennsylvania Economy League, including
2 Mr. Gerald Cross immediately.

3 Again, happy 21st anniversary to
4 Scranton for allowing us to be distressed
5 and I hope we are done by the year, the end
6 of this year 2013. I don't want to come
7 here next year and wish you a happy 22nd
8 birthday.

9 MS. EVANS: Thank you.

10 MR. JOYCE: Just to briefly answer
11 Mr. Jackowitz' question why we have \$109
12 million budget this year, this is the
13 highest the budget has been. In this budget
14 there is a big one-time expenditure, being
15 the Supreme Court award for the police and
16 fire unions, and that's a \$17 million
17 expenditure. Also making the budget hire
18 this year is the increase in the minimum
19 municipal obligation for the pension
20 payments that the city has to make into the
21 pension fund, which as we know is severely
22 underfunded.

23 If you subtract those amounts from
24 \$109 million you would end up with roughly
25 87 or 86 million, which is generally in the

1 ballpark of where the budget was last year,
2 but that's the reason why the budget is so
3 high this year. One, we have the Supreme
4 Court award that's in there that we have to
5 pay out; and two, we have the increase in
6 the MMO. And that's all.

7 MS. EVANS: And I just quickly would
8 add to that, I'm hard pressed to determine
9 what we received, what services we receive
10 from county government. The City of
11 Scranton, on the other hand, provides police
12 protection, and it is a paid police
13 department, fire protection, to a paid fire
14 department, DPW services and in terms of
15 trash pickup, recyclables pickup, snow
16 plowing, road repair, etcetera. Yet, your
17 county taxes are higher than your city taxes
18 and, as I said, I'm hard pressed to come up
19 with a service that I'm receiving in my
20 daily life that's provided by Lackawanna
21 County government.

22 MR. SLEDZENSKI: Jack, welcome back.
23 I missed you all week. What's the matter,
24 you're sick?

25 MR. LOSCOMBE: I came here to see

1 you, buddy.

2 MR. SLEDZENSKI: Jack, this is for
3 you, only for you. Only for you, buddy.
4 Keep it, Jack. Keep it.

5 MR. LOSCOMBE: Better be a big green
6 bill in there.

7 MR. SLEDZENSKI: Open it. Open it.
8 Go ahead. You can open it, Jack. Go ahead.
9 You got to remember, Jack, so we can have
10 it. Don't tell anybody, Jack.

11 MR. LOSCOMBE: I'm the only one that
12 has his new cell phone.

13 MR. SLEDZENSKI: Go Packers,
14 Saturday. Go Packers. Let's win Saturday,
15 Packers. Win it all the way. Good luck.

16 MS. EVANS: Thank you, Chris.

17 MS. SCHUMACHER: Good evening,
18 Council. Marie Schumacher, resident and
19 taxpayer.

20 MS. EVANS: Good evening.

21 MS. SCHUMACHER: I have been
22 checking the legal notices and I know one
23 thing I noticed missing is the audit report
24 so I hope that you are going to be
25 addressing that in motions tonight.

1 MR. JOYCE: I am going to address
2 that.

3 MS. SCHUMACHER: That is the status
4 of the 2010-2011 -- -

5 MR. JOYCE: 2011 audit.

6 MS. SCHUMACHER: And then I would
7 also like to know what was the city's actual
8 2012 operating loss?

9 MR. JOYCE: I don't have that on
10 hand, but I could find that out for you.

11 MS. SCHUMACHER: Okay. Speaking of
12 things, do you have the cash flow, the 2013
13 cash flow with the new numbers?

14 MR. JOYCE: I don't have the -- I
15 don't have the last cash flow report, it
16 hasn't been submitted yet from the BA's
17 Office for the close of 2012, so once that's
18 done I could get -- I could get those
19 numbers to you as far as what they were,
20 what the losses are.

21 MS. SCHUMACHER: Well, okay, the
22 losses, and again, I also would like to
23 track the forecast, the cash flow forecast
24 for 2013, so I'd like that one as well.

25 Last year council voted to conduct a

1 forensic audit. What line item and in what
2 amount does that appear in the 2013 budget?
3 Is that professional services in the City
4 Clerk's Office?

5 MS. EVANS: Council wanted that
6 included in the revised recovery plan. That
7 means that the forensic audit can be
8 conducted any time during the life of the
9 revised recovery plan, and it is my hope
10 that it will be done but, of course, that
11 requires, as you mentioned, funding and a
12 forensic audit is far more expensive than
13 the traditional annual audits of the city
14 and its municipalities that are done, and so
15 I'm sure when the city has the availability
16 of the funds a forensic audit will be
17 conducted, whether it is this year or
18 whether it is occurs when a new
19 administration takes over.

20 MS. SCHUMACHER: Okay. Well, thank
21 you, yeah, I'll be pushing up daisies, I'm
22 sure, if I wait until the city is
23 fiscally -- has even three balanced budgets
24 and we get out of the status, current status
25 that we are in.

1 three adults and two children and there was
2 some very interesting metrics that were
3 there and I think it would have behooved
4 everyone or at least one person from council
5 to attend, and I think when these
6 opportunities are available, you know, we
7 are grasping at straws. I think we really
8 have to start going to these meetings and
9 engaging when we have the opportunity at no
10 cost to maybe get some help or at least some
11 fresh ideas other than recycling the same
12 kinds of the issues and not getting very
13 far.

14 And then, Mr. McGoff, when do you
15 expect the rental registration ordinance is
16 going to be amended? Remember you said that
17 that could be amended to cover only the
18 safety inspection, the four safety items in
19 the inspection?

20 MR. MCGOFF: I did say that and I
21 have no timetable or expectation of it being
22 done. I will -- what I'm saying is that I
23 have not looked into that recently. I will
24 pursue that in the coming year.

25 MS. SCHUMACHER: Thank you. And how

1 much did we collect in rental registrations
2 last year?

3 MR. MCGOFF: I have no idea.

4 MS. SCHUMACHER: No idea. Okay,
5 Mr. Rogan, 408 Cedar Avenue loan repayment?

6 MR. ROGAN: Still nothing. Mrs.
7 Krake, could we please send I believe it
8 would be a third request on that issue?
9 I'll get that to you in writing, also, and I
10 will send another e-mail to Ms. Aebli as
11 well asking for that information. It's been
12 months since the initial request.

13 MS. SCHUMACHER: Okay. I believe
14 there was also -- in August there was also a
15 letter sent by Mrs. Evans asking for the
16 entire portfolio and I don't think there has
17 been any --

18 MS. EVANS: And follow-ups were sent.

19 MR. ROGAN: Many.

20 MS. EVANS: And requests were made
21 in person and yet Ms. Aebli has failed to
22 submit monthly loan portfolios.

23 MS. SCHUMACHER: Well, really
24 disappointing. On 5-C, how does something
25 get to be an emergency? I mean, council was

1 it on the 14th of December that you all
2 agreed with the mayor that we needed the 10
3 percent added?

4 MS. EVANS: 13.

5 MS. SCHUMACHER: 13? Okay, so that's
6 been a month, so now here we are a month
7 later and now it's an emergency. Why
8 couldn't it have been handled in the
9 previous month?

10 MS. EVANS: I agree with you that it
11 shouldn't be an emergency and so I was not
12 pleased to be receiving an emergency
13 certificate attached to this legislation.
14 When I looked further into it in the hope
15 that we would not have to run it through
16 three readings this evening, I learned that
17 in postponing it or allowing it to take its
18 natural course, a number of things would
19 happen, those being the tax bills will be
20 held up, they will not be issued on time
21 unless the ordinance is passed this evening.

22 And secondly, if we were to give it
23 it's traditional course of readings, we
24 would also be decreasing the discount
25 period, the first discount period that is

1 available for taxpayers who want to make
2 full payment and receive a decent discount
3 on their real estate taxes for the city.

4 And, as you know, I had asked the
5 commissioners to extend that discount period
6 but they refused, so because we would like
7 the tax bills to go out on time we need them
8 to do and so and because we don't want to
9 penalize taxpayers who wish to take
10 advantage of that first discount period, we
11 will move it through three orders tonight.

12 MS. SCHUMACHER: Well, you know, I
13 have heard it said here that council does
14 have the ability to draft ordinances and
15 bring them forward from your office and I
16 would hope when you know that something like
17 this has to happen in the future that, you
18 know, we do it. It could have been done
19 that same night, I would think, or a special
20 meeting that was the last meet of 2012.

21 MS. EVANS: As you know, our
22 solicitor is the one that drafts the
23 legislation by and large and he has not been
24 well --

25 MS. SCHUMACHER: I'm sorry to hear

1 that.

2 MS. EVANS: And it is the
3 responsibility of the legal department. I
4 know that Solicitor Hughes has been in touch
5 with them on a number of issues that still
6 remain unsettled as of late, so it certainly
7 was no fault of our solicitor or this
8 council, we have been awaiting that
9 legislation. As I said, I don't appreciate
10 it being submitted in this fashion, but I
11 don't wish to hold up the process or
12 penalize taxpayers.

13 MS. SCHUMACHER: Well, neither do I.

14 And now on the parking meters, I
15 think there are tons of questions on this
16 and I hope that you will have a caucus to
17 explain this to the taxpayers. I mean, how
18 long of a period are these parking meters
19 going to be leased to Central Parking? Who
20 is buying them? Are they buying them? Are
21 we buying them? If they're buying them --

22 MS. EVANS: No, no one is buying
23 them.

24 MS. SCHUMACHER: Pardon?

25 MS. EVANS: They are not being

1 purchased and not being leased, it's a
2 management agreement.

3 MS. SCHUMACHER: Okay. We still --
4 I'll bring my questions back next week on
5 that. Thank you.

6 MR. LOSCOMBE: Thank you:

7 MR. MORGAN: Good evening, Council.

8 MS. EVANS: Good evening.

9 MR. MORGAN: Two questions that kind
10 of touch each other a little bit, Mr. Bolus
11 came up and spoke about Mr. Kelly and
12 Mr. Boyd Hughes and, you know, when you take
13 a look at this, this takes us all the way
14 back to, I don't know, my opinion the abuses
15 that were alleged under Attorney Greco, and
16 I just can't see how we can justify giving
17 money to these solicitors because they have
18 signed a contract and they are on board, and
19 for a city to be in the shape we are in I
20 just have to ask why was it such a problem
21 for Mr. Greco to receive all of these fees
22 and it's not a problem now for Mr. Hughes or
23 Mr. Kelly to receive them? I think it just a
24 -- maybe it's just political.

25 Is council in possession of the

1 three judge panel's legal opinion on the
2 ruling on the commuter tax? Do you have a
3 copy? Does council have a copy of that?

4 MR. JOYCE: THERE should be a copy
5 in our office; correct? Maybe I'm wrong,
6 Mrs. Krake.

7 MS. KRAKE: We do not have a hard
8 copy. I believe we did receive an e-mail at
9 one point of it.

10 MR. JOYCE: Yes. I know that I
11 received a scanned in copy of it.

12 MR. MORGAN: Can you make a hard copy
13 of that so the residents can come in and
14 read that without having to go to the
15 courthouse to obtain that document
16 considering that it has to do with city
17 business?

18 MR. JOYCE: Mrs. Krake, could we make
19 a hard copy of that and perhaps leave that
20 on the front desk there for the public to
21 have access to?

22 MS. KRAKE: Sure.

23 MR. JOYCE: Okay.

24 MR. MORGAN: Now, I think that the
25 residents in this city in the next election

1 have to take a very hard look, not just at
2 this council but other councils and what
3 they did in their tenure as council people,
4 whoever they are. Because I think we have
5 to break the cycle of political surfum in
6 this community because that's evidently
7 what we have. We recycle, in many
8 instances, failed politicians and annoint
9 them with the power of government and then
10 we wonder, okay, how we got to where we are.
11 Well, you know, when you keep doing the same
12 thing over and over and expect a different
13 result at the end, hum, I think there is
14 something wrong with that frame of thought.

15 I just think we keep moving forward
16 in a very haphazard way, and this evening we
17 are talking about possibly deinvesting
18 ourselves of a city investment, at least
19 that's what I took when I was sitting here
20 and we are going to walk away from that
21 debt, Mrs. Evans discussed it a little bit
22 about what we are going to sell allegedly,
23 what will be the city asset we are going to
24 sell.

25 And my point on that is that, look

1 it, we have gone forward with some projects
2 in this city, they come through council,
3 council understood whether or not the city
4 could afford to move forward on those
5 projects and so we did, and now we are going
6 to talk about a project that's not paying
7 it's way, I think that council knew that at
8 the time they moved forward with that.

9 But the real problem with this whole
10 thing is very simple, when we sell this
11 asset we are going to lose all of our
12 investment. We are going to take a blood
13 bath. We are not going to get anywhere near
14 what that asset is probably worth. And, you
15 know, with all of these agreements with
16 private companies coming in and doing city
17 work and displacing workers or the
18 authorities or whatever, all of these people
19 are making money, lots of money, and it's
20 denying the city the revenue.

21 And, you know, we can blame our
22 employees for all of the city's problems,
23 but the truth of the matter is it has
24 nothing to do with the employees. It has
25 nothing in most instances to do with the

1 people that are appointed to the
2 authorities, they are just people that were
3 given a job and told to do it. The damage
4 that's been done to this city has most times
5 come through this council. Some of the
6 council members have stated it themselves.

7 I mean, it's quite simple what's
8 occurred here. You know, people might talk
9 about, I don't know, the North Scranton
10 Junior High School. Well, that money came
11 through council, but we have nothing to show
12 for it. We are doing basically the same
13 thing at the Scranton Lace in my opinion,
14 and we have done it with projects all over
15 the city, and we have invested money in the
16 downtown and then we have people talking
17 about the great things happening in the
18 downtown because people are moving there,
19 but when you walk to our city's
20 neighborhoods it's a mess. People are
21 wondering how we have so many condemned
22 properties.

23 As a matter of fact, the Pinebrook
24 Neighborhood Association, the lady who came
25 here last week is involved with them, and

1 she gave documentation to council about all
2 of the buildings that were condemned and
3 there is real questions out there about how
4 this has occurred, and it's very troubling
5 and I think that in the next election we
6 need to take a good hard look at the
7 candidates that are running and what they
8 did when they were elected to their
9 positions and where they want to take us
10 now. Thank you.

11 MR. JOYCE: Is there anyone else who
12 would like to address council? Mrs. Krake?

13 MS. KRAKE: FIFTH ORDER. 5-A.
14 MOTIONS.

15 MR. JOYCE: Mr. McGoff, do you have
16 any comments or motions?

17 MR. MCGOFF: Just very quickly. I
18 do have one question to ask of you, Mr.
19 Joyce, if possible?

20 MR. JOYCE: Yes.

21 MR. MCGOFF: Do we have the assessed
22 values that are being used in the
23 calculations for the millage increases and
24 do we have -- do we know what rate of
25 collection is being used in determining, you

1 know, the revenue for the budgeted amount?
2 I guess my question is, the basic thing that
3 I need to know is that with the amendments
4 that that are being proposed will the
5 amended rates achieve the revenue that we
6 are projecting for 2013? And that can't be
7 determined unless we have the assessed
8 values and rate of collection.

9 MS. EVANS: Well, actually I can
10 respond to that under motions and if you
11 care to respond as well, but I can also
12 quickly add that I spoke with the mayor this
13 afternoon about the amendment and council's
14 intention to abide by the original
15 agreement. I told him what the figures
16 would be. He is in agreement and has
17 indicated that he will sign the legislation
18 as amended.

19 MR. MCGOFF: And that's all well and
20 good, but I think that if we are going -- if
21 we as elected officials are going to do
22 justice to this we need to know what these
23 numbers are --

24 MS. EVANS: And --

25 MR. MCGOFF: -- before voting on

1 them.

2 MS. EVANS: -- I'm sure Mr. Joyce has
3 the numbers to report.

4 MR. JOYCE: Just to basically go
5 over this quick, and all my conversations
6 with Mr. McGowan it's been assumed by me
7 that we are using the 87 percent collection
8 rate, which is the basic collection rate
9 that we have seen historically.

10 MR. MCGOFF: And that's fine, but
11 without the assessed values, without knowing
12 what the assessed values are that we are
13 using for 2013 it's impossible to determine
14 what the revenue is going to be or the
15 expected revenue.

16 MS. EVANS: Well, that's true each
17 year because the assessments can increase
18 and decrease annually and they do, as we are
19 well aware, so it's not an issue that's
20 unique to this. This is ongoing year after
21 year after year.

22 MR. MCGOFF: No, it's not. Every
23 year that we have done this we have had --
24 there is an assessment from the county that
25 is used to make these calculations.

1 Otherwise, there is no way of determining
2 what amount of money you are going to
3 realize under the real estate taxes. You
4 have to have an assessed value to work from,
5 and all I'm asking is what they are. I'm
6 not questioning it. It just if there is a
7 certain amount budgeted in 2013 for real
8 estate taxes and these are the millage rates
9 that we are going to be using then we should
10 have an assessed value that would allow us
11 to meet the revenue. And without knowing
12 that or without having assessed values there
13 is no way of determining whether or not
14 these millage rates will achieve what's in
15 the budget.

16 MR. JOYCE: To answer your question
17 briefly, I don't have the assessed -- the
18 overall assessed value of all properties in
19 Scranton in front of me right now.

20 MR. MCGOFF: Okay. Thank you. And
21 that is all I have.

22 MS. EVANS: Thank you. And,
23 Councilman Rogan, do you have comments or
24 motions?

25 MR. ROGAN: Yes. Thank you. Last

1 week I made a motion, and I spoke a little
2 bit about Ryan McGowan's poor performance,
3 and it was agreed since all five members of
4 council were not here that it would tabled
5 to the previous week, so I would like to
6 make a motion to bring my motion from last
7 week regarding the termination or
8 resignation of Mr. McGowan back up for a
9 vote.

10 MR. JOYCE: Second.

11 MS. EVANS: On the question? All
12 those in favor signify by saying aye.

13 MR. MCGOFF: Aye.

14 MR. ROGAN: Aye.

15 MR. LOSCOMBE: Aye.

16 MR. JOYCE: (No response.)

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

19 MR. JOYCE: I wanted to express I
20 wish to abstain from this vote because I
21 don't feel this is my decision as this is
22 the mayor's responsibility to select the
23 business administrator and this is his
24 employee.

25 MR. ROGAN: I would just reiterate

1 what I stated last week, Mr. Joyce is
2 correct that unfortunately it is the mayor's
3 sole authority to decide who the business
4 administrator is and whether or not he is
5 kept, employed by the city or whether he is
6 replaced, but I think that as a council we
7 can send him a message once again, as we
8 have in the past, approved -- I made the
9 same motion I believe a year ago when
10 Mr. McGowan lost a few million dollars, it
11 was parking meter money. This is a track
12 record with Mr. McGowan, and as I stated
13 last week, it's not a personal issue, he is
14 a great guy and, you know, he is a good
15 person, but he is not doing a good job.

16 And, you know, a couple of speakers
17 also mentioned, I believe Mr. Jackowitz
18 mentioned that he stated there were 70,000
19 commuters coming into the city on a daily
20 basis when if you are testifying in front of
21 a Court and you are the Business
22 Administrator for the city you would think
23 he would have those facts and figures. So
24 that is why I made the motion.

25 MR. LOSCOMBE: Are we still on the

1 comments?

2 MS. EVANS: I thought we had voted
3 on the motion.

4 MR. ROGAN: No, the initial vote was
5 to take it off the table.

6 MS. EVANS: Correct. Your motion --
7 that's what I mean, your motion was to put
8 this back on the table for a vote.

9 MR. ROGAN: And now we are on the
10 question, correct, for the vote.

11 MS. EVANS: No, I called for that, no
12 one responded, so then I said, "All those in
13 favor?"

14 We said, "Aye."

15 I said, "Those opposed, the ayes
16 have it and so moved."

17 And then Mr. Joyce said that he was
18 abstaining.

19 MR. ROGAN: I was under the
20 impression we had to remove it from the
21 table and then vote on it.

22 MS. EVANS: Right. Right. So there
23 are two separate things, so now you need to
24 make a motion.

25 MR. ROGAN: But we just removed it

1 from the table; correct?

2 MS. EVANS: Well, whether it's --

3 MR. MCGOFF: Why don't you restate
4 the motion because it needed to be seconded.

5 MR. ROGAN: Sure. I would like to
6 make a motion requesting the mayor terminate
7 Business Administrator Ryan McGowan and also
8 requesting Mr. McGowan's resignation for a
9 poor performance.

10 MR. JOYCE: Second.

11 MS. EVANS: On the question?

12 MR. MCGOFF: I think that this is
13 ill-advised for a number of reasons. Number
14 one, it's not -- again, as was stated, it's
15 not in our purview to deal with appointed
16 positions, we have no authority to do that.

17 Secondly, during the past year I
18 believe Mr. McGowan has worked tirelessly in
19 attempting to deal with the budget that was
20 handed to him and also to deal with the
21 ongoing financial difficulties that the city
22 had faced in paying bills and receiving
23 TANS. I think that he is, again, I think he
24 has done a job that is above and beyond what
25 any other business administrator had done in

1 the past.

2 Third, if you are going to use his
3 testimony in Court as the basis for asking
4 for his resignation then I think you should
5 also ask for Mr. Joyce's resignation because
6 he acted as a corroborating witness to the
7 testimony that was given. I just think that
8 we are pursuing something that we really
9 shouldn't.

10 MR. ROGAN: Just to respond to that,
11 Mr. McGowan, and Mr. Joyce, and I didn't
12 agree on a lot of the financial issues
13 recently, but he is not a full-time paid
14 business administrator. He is a part-time
15 council member who, and I believe all of us
16 on council many times take what the
17 administration sends down numbers wise as
18 truth because council doesn't have the
19 capacity, we don't have a full-time staff
20 of, you know, that the mayor has of all of
21 these department heads working for them. We
22 have a very small staff, they do a great
23 job, but on that issue it's not just the
24 issue of, you know, his testimony, it's a
25 track record.

1 When Mr. McGowan first received the
2 job there was money missing. He tried
3 blaming it on a clerk at the Tax Collector's
4 Office and it was, in fact, a mistake that
5 he made and then the missing money with the
6 from the parking meters, it's been a track
7 record and I think the city deserves better.
8 That's why I made the motion that passed
9 months ago and in light of recent
10 developments I think it's an issue that
11 needs to be brought up again.

12 MR. JOYCE: Just for the record, I
13 was a witness in the commuter tax court
14 hearing, but I also did question with
15 Mr. Gerald Cross about the number of the
16 commuters working in the city and I believe
17 that it was somewhere in the 20 to 25,000
18 range. I did actually about over that with
19 him.

20 MR. LOSCOMBE: I just -- you know, I
21 was caught off guard with this. I
22 apologize, I wasn't at the last meeting and
23 I have no idea what's gone on. You know, I
24 think I did vote last time time to do this.
25 I have to consider a couple of things, you

1 know, there is only one year left. To put
2 someone else in there at this point I don't
3 know what we are going to get and the
4 problem is this could go through probably
5 half the administration. If we are going to
6 go call for one to go, we could probably
7 call for a lot of them because there has
8 been a lot of mistakes from many people. I
9 get complaints all the time. I get numerous
10 complaints about our zoning, that's one of
11 the big ones.

12 I mean, just look at OECD. They
13 have received a 11 1/2 million finding
14 against the city. Those are just some of
15 the things. Our own fire department, you
16 know, maybe the chief should have fought
17 hard to keep the 3 1/2 million. I'm not
18 calling for any of their resignations at
19 this point.

20 We have a year left to straighten
21 things out, but I'm going to say one thing,
22 that every one of these people that are in
23 these positions we are going to have hold
24 their feet to the fire because, you know,
25 the fact that it's their last year possibly

1 I'm not going to let them fail on us. We
2 have a pretty tough budget to make this year
3 and, you know, I just think there has been
4 nobody that had more animosity towards this
5 administration than Mr. McGowan and myself.
6 I have had numerous face-to-face situations
7 with him, but I think as Mr. McGoff stated,
8 and I know I have been at many meetings and
9 I know Mr. Joyce, he has probably been at
10 more with him, my negotiations with the
11 police and fire unions Mr. McGowan was there
12 on daily on a full-time basis. I actually
13 went and met with him several times, we had
14 teleconferrences with Blue Cross and Blue
15 Shield trying to work out that. I don't
16 know, I don't know if that's a job I would
17 want to wish on anybody, and I can't say,
18 you know, since I'm not a business
19 administrator that, you know, he has got a
20 gradde C or B or whatever.

21 It is hard, but, you know,
22 personally at this point in time I think
23 it's just a knee jerk reaction to a
24 newspaper article and, you know, I don't
25 think calling for one's resignation without

1 calling for a whole slew of them is going to
2 be of benefit. I mean, that's my personal
3 opinion. I don't know how else to say it.
4 But, like I said, there is flaws in a lot of
5 departments, but at this point I just don't
6 think it would benefit anybody at this
7 point.

8 Now, if there was a full term left
9 or something that's a different
10 consideration. Again, it's going to be
11 encumbent on all of us here to keep the
12 administration's feet to the fire because
13 they can't just drop the ball now for the
14 last year.

15 MS. EVANS: And Mr. Rogan is right
16 that he asked, he made the same motion, the
17 same request I believe, in fact, last year
18 at this same time, January 2012, and it was
19 voted on. I don't know, I can't recall if
20 it had been unanimous, but I know there was
21 enough support --

22 MR. ROGAN: It had passed.

23 MS. EVANS: -- so that is passed and
24 the letter was sent to the mayor and nothing
25 came of it. And, of course, as was said

1 already, the mayor hires and the mayor
2 fires. This council only has authority over
3 its own staff and so I feel as if council
4 members would be better served to focus our
5 attention on critical issues like the
6 recovery plan, budget, generating new
7 revenue, rather than pursuing exercises in
8 futility so I'll be voting "no."

9 All those in favor of introduction
10 signify by saying aye.

11 MR. ROGAN: Aye.

12 MS. EVANS: Opposed?

13 MR. MCGOFF: No.

14 MR. LOSCOMBE: No.

15 MR. JOYCE: No.

16 MS. EVANS: No. The motion dies.

17 MR. ROGAN: Thank you. Next, another
18 issue that was brought up by Mr. Spindler
19 and also a few months ago was the issue of
20 Engine 15. Thankfully Deputy Chief Mr.
21 Lucas did reply to us, we thank him for the
22 reply. The letter states that he was
23 approached by members of the Throop Fire
24 Department as to their availability of any
25 spare apparatus that might be available to

1 be loaned to their department in the time of
2 need. Since their engine was out of service
3 and in need of a complete refurbish, he told
4 them that we have a 1987, and I can't even
5 pronounce the engine, maybe Mr. Loscombe
6 can.

7 MR. LOSCOMBE: Sutphen.

8 MR. ROGAN: Sutphen, that we keep in
9 reserve status for major incidents and
10 breakdowns in our department that was
11 available for use. We have five reserve
12 engines and one reserve truck. This has
13 been a practice of mutual aid between
14 communities in our area for many years. I'm
15 sure that we are ever in need of reciprocity
16 it would be offered the same.

17 Now, I do think it is a nice token
18 to provide this engine to Tthroop, but the
19 situation Scranton is in we cannot be
20 loaning out apparatus for a long period of
21 time. It doesn't state in the letter, but
22 from my understanding in talking to others
23 is this has been a multi-month loan. This
24 isn't, you know, we need a truck for a week
25 or an engine for a week can we borrow it,

1 this is a very long period of time. I have
2 a lot of questions. Is the city still
3 paying the insurance on the vehicle? Who is
4 paying for the maintenance of the vehicle?
5 What are the status of the other five
6 reserve engines that the city currently has?
7 And I would request that the mayor and the
8 deputy tea chief and the chief contact the
9 officials in Throop and see when we are
10 going to get our apparatus back. You are
11 paying for it, the taxpayers of Scranton are
12 paying for it.

13 Now, I'm all for helping our
14 neighbors, if there is a large fire in
15 Dunmore or Throop or whatever in the
16 surrounding community I believe, even though
17 it will cost taxpayes money we should help,
18 help to save lives, help to save property
19 and when there a large fire in Scranton they
20 do the same and I don't think anyone opposes
21 that, but a long-term loan of very expensive
22 piece of equipment. You know, I understand
23 it is a very old piece of the equipment,
24 it's as old as I am, so 25 years for a
25 vehicle is a long time.

1 But I do remember the city purchased
2 a used fire truck maybe five years ago and
3 it was a very large sum of money just for a
4 used engine because of all of the moving
5 parts, and I'm sure Mr. Loscombe will talk
6 about this, he knows the intricacies of it a
7 lot better than anyone else on this board,
8 but I am disappointed that it was loaned out
9 for such a long period of time at the
10 taxpayers' expense, and that only now it's
11 coming to light.

12 So, Mrs. Krake, I will have a list
13 of follow-up questions that I will provide
14 to you regarding how long this has been
15 going on, who has been paying for
16 maintenance, who has been paying for
17 insurance, things of that nature and in a
18 scenario like this I think that the elected
19 officials and the public should know that
20 it's being loaned out. It shouldn't be
21 months later that we actually find out that
22 our equipment is being used in another
23 community, so that is all I have to say on
24 that issue.

25 Next, I received a call from a

1 constituent who lives on Swetland Street,
2 and I also have some pictures, and again,
3 Mrs. Krake, all this will be provided to
4 you, I have quite a bit for you to type up
5 next week, and they say that every week when
6 the garbage truck comes down Hughes Court
7 they make the turn and when they make it it
8 they make it too tight and it's tearing up
9 their grass, and I have pictures of it where
10 the tire tread completely ripped out a
11 section of grass.

12 And the resident was very frustrated
13 and called the DPW time and time again, they
14 weren't getting a reply, they finally did.
15 I believe they went up and tried to fix the
16 situation and they put in what looked like
17 in a picture like a gravel mixture into
18 where there was grass and instead of, you
19 know, top soil or some type of soil, so I
20 would hope that DPW is aware of this
21 situation, and again, that council could
22 send a letter asking that the drivers take
23 more care on that area and throughout the
24 city.

25 Next, zoning issues. I did catch

1 something that's been going on for decades.
2 Many people won't do business in the City of
3 Scranton because the permitting process, a
4 lot of contractors complain about the
5 process in the City of Scranton, that's it's
6 expensive, it's a lot of work and that
7 certain people Licensing and Inspections
8 comes down hard on, even though they might
9 be doing good things for the community,
10 trying to rehab a property that was
11 condemned or, you know, try to help
12 revitalize a part of their neighborhood and
13 they are discouraged.

14 I know many people that won't do
15 business in the city because of that reason,
16 but then we hear other people that may be
17 doing the same activity and everything just
18 gets stamped through or they don't even go
19 in front of the board they just do what they
20 want to do anyways. I hope that in the
21 future things will change in the city.

22 As everyone knows, the mayor did
23 announce that he won't be seeking a third
24 term. I think this is good news and agree
25 with what -- a fourth term, I do agree with

1 what a couple of residents mentioned and a
2 lot of people have mentioned to me before
3 there should be term limits, especially in
4 the executive and possibly even the
5 legislative branch of government. When we
6 have a mayor that's in there for so long it
7 seems that, you know, you get in there, and
8 I although I disagree with the mayor's
9 direction of the city from day one, I do
10 believe in my heart that he came in on day
11 one with good intentions for the city. I
12 don't agree with what he wanted to do, but
13 at this point it seems that it's just trying
14 to get by and trying to get off the Titanic
15 as many have said, and I'm very hopeful that
16 a new mayor will come in and do the right
17 thing, especially the small things.

18 You know, obviously the financial
19 aspects of the city is what gets all of the
20 attention and people are upset that they are
21 paying such high taxes, but what they are
22 more upset about is they are paying all the
23 taxes and they are not getting any services.
24 Phone calls to departments unanswered. Its'
25 very hard to even get a pothole filled when

1 somebody contacts us. You know, between the
2 five of us up here we send out numerous
3 requests every week to department heads,
4 whether it be through our office or through
5 a phone call to the department head or an
6 e-mail, so many of them go unanswered and
7 that's what's very frustrating as a resident
8 and as an elected official it's not right.
9 The department heads are here to serve the
10 people, they are not here to serve the
11 mayor, no matter who the mayor is. So I'm
12 hopeful things will get better, we'll get a
13 new mayor and a new administration.

14 And finally just one comment, it's
15 actually more of a question for my
16 colleagues and Mrs. Krake, have we received
17 resumes from any of the five individuals who
18 are up for appointment?

19 MS. KRAKE: No.

20 MR. ROGAN: And the letters were sent
21 out requesting them though; correct?

22 MS. KRAKE: No, we did not request
23 them. We actually had a time or two before
24 also since we felt that this was a policy
25 that was established by council, we can

1 certainly do that if you would like but --

2 MR. ROGAN: I'd like to know what
3 everyone else's thought is, whether we
4 should table them for a week and give them a
5 week to provide the resume or whether we
6 should vote this week.

7 MR. JOYCE: I'd like to table it and
8 give them a week to provide the resume.

9 MR. ROGAN: I agree with that.

10 MR. JOYCE: And request it.

11 MS. EVANS: Would you like to make a
12 the motion?

13 MR. JOYCE: Unless Mr. Rogan does
14 since we are on his time.

15 MR. ROGAN: I'll make the motion. I
16 would like to make a motion to table items
17 number -- I believe it's all of Seventh
18 Order.

19 MS. EVANS: Yes.

20 MR. JOYCE: No, there is a grant on
21 there or there -- or there is a contribution
22 on there.

23 MR. MCGOFF: A, B, C, D, E, F.

24 MR. ROGAN: I would like to make a
25 motion to table Items 7-B through F until

1 next week.

2 MR. JOYCE: Second.

3 MS. EVANS: On the question? All
4 those in favor signify by saying aye.

5 MR. MCGOFF: Aye.

6 MR. ROGAN: Aye.

7 MR. LOSCOMBE: Aye.

8 MR. JOYCE: Aye.

9 MS. EVANS: Aye. Opposed? The ayes
10 have it and so moved.

11 MR. ROGAN: Mrs. Krake, can you
12 please have the office send those letter
13 out?

14 MS. KRAKE: Yes.

15 MR. ROGAN: And I'll provide you with
16 the rest in an e-mail tomorrow morning.
17 Thank you. That's all for tonight.

18 MS. EVANS: Thank you. Councilman
19 Loscombe, do you have any comments or
20 motions tonight?

21 MR. LOSCOMB: Yes, just quickly, I'm
22 trying to save my throat here, but I have to
23 agree with Mr. Rogan on his last comments
24 there, you know, hopefully the next mayor
25 will come in and look at a lot of what's

1 been wrong here and set -- you know, the
2 tone has been set for change.

3 Again, as you said, you know, Mayor
4 Doherty probably had the best intentions
5 when he came in, I don't know, you know. We
6 don't agree on everything, but like I often
7 say neither do my wife and I so there is
8 compromise in different areas, but I think
9 enough has been brought to the attention
10 over the years that focus should have been
11 changed in some direction.

12 And I mentioned before about zoning,
13 as Mr. Rogan stated, everyone in this town
14 deserves a fair share. You shouldn't be
15 treated any differently because you are a
16 contributor or you have big business versus
17 a small business. I know of the same
18 problems, and I'm sure Mr. Rogan discussed
19 with some of the developers, we have people
20 who are interested in investing money in
21 this city and they were being deterred
22 because of the problems of trying to get the
23 proper permits, it's just the hoops they
24 have to jump through versus other
25 individuals who don't jump through any

1 hoops. It has to be equal for everyone.

2 And I echo everything Mr. Rogan said
3 in that statement because I do know
4 contractors that won't come into this city
5 to do business because of what's going on.
6 That's something that has to change. If
7 not, within the next year or definitely it
8 has to change for the next administration
9 and I have ideas and I'm sure Mr. Rogan does
10 and my colleagues to make the permitting
11 process easier, to make it a more user
12 friendly system.

13 You know, just think of the people
14 that get fed up and don't get a permit and
15 see a job through, you know? It might be a
16 20, 30 dollar permit here and there, if you
17 made it simpler for the people, equitable
18 and easier for people, those 20 and 30
19 dollar permits add up. That could help the
20 hole we have in our budget. Just little
21 things like that. And I'm sure looking
22 forward that that is one big area that has
23 to be looked at, among others.

24 But I'm just looking for a brighter
25 days ahead and hopefully we are all going to

1 work hard the next year to keep us afloat
2 and go from there. Thank you.

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

6 MR. JOYCE: Yes, I do. On tonight's
7 agenda there is legislation to set the
8 millage rates for 2013. I read over the
9 legislation that was sent down by the
10 administration. The rates included in the
11 legislation do not equate to a 22 percent
12 millage rate increase. In 2012, the millage
13 rate levied on all land was .096701. In the
14 legislation sent down by the administration,
15 the proposed rate was .119909, which is a 24
16 percent increase.

17 Subsequently, in 2012 the millage
18 rate levied on all buildings was .0213 -- or
19 021030. The proposed rate in the
20 legislation that was sent down by the
21 administration was .026288, which is a 25
22 percent increase.

23 Tonight I'll be making a motion to
24 lower the millage rate in the legislation to
25 equate to 22 percent. This would be a

1 millage rate of .11797522 on land and a
2 millage rate of. 0256566 on buildings.
3 This is equal to 22 percent, which is the
4 tax increase stated throughout the veriage
5 of budget. As one knows, the tax increase
6 is Court ordered.

7 The tax increase that was prescribed
8 and asked for by the administration was 22
9 percent, not 24 percent or 25 percent, and
10 this is the tax increase that would be.
11 There is several indications that the tax
12 increase is to be 22 percent.

13 For one, as was specified in Mayor
14 Chris Doherty's December 13 letter to
15 council which reads, actually the letter is
16 to President Evans, which reads: "I'm
17 asking that you consider amending the
18 mayor's 2013 operating budget. I humbly
19 request that you increase the property tax
20 by an additional 10 percent making the total
21 increase for 2013 to 22 percent. This would
22 allow the city to comply with Judge
23 O'Brien's decision for the second unfunded
24 debt."

25 Mayor Doherty's letter clearly

1 indicates that the tax increase is to be 22
2 percent.

3 Secondly, listed in the 2013 budget
4 highlights it's stated that the 2013 budget
5 calls for an aggressive approach to current
6 revenues. The 2013 budget calls for a tax
7 increase of 22 percent. This is stated in
8 the second paragraph.

9 Third, listed under real estate tax
10 in the 2013 budget, it is stated that the
11 land rate will be increased by 22 percent in
12 2013. Also, it is stated that the land
13 improvement rate, which is synonymous to the
14 building rate, will be increased by 22
15 percent in 2013.

16 Just a little bit about the tax
17 increase. It's a court-ordered millage
18 increase associated with the unfunded debt.
19 Basically it's \$139,000 for every -- or
20 \$139,000 in revenue is generated for every 1
21 percent that you increase taxes based on the
22 current rate of the assessed value of land
23 and buildings, and also taken into account
24 an 87 percent collection rate.

25 Raising taxes is the last thing that

1 anyone wants to see done, at least that I
2 want to see done, but this is a
3 court-ordered tax increase and it's needed
4 for the city to survive and make it's
5 payments. If this were voted down, we would
6 have to find a way to come up with \$3.2
7 million, which we have come up with a lot of
8 alternative revenues courses and we are
9 pretty much tapped out at this point, plus
10 we must do this to fullfill the Court order.

11 Moving onto other matters, /ERL
12 earlier I attended an exit conference for
13 the 2011 draft audit which was prepared by
14 Rossi & Rossi. The audit that was prepared
15 by Rossi & Rossi was marked as "Tentative"
16 and preliminary and subject to change. In
17 the exit conference, assets and liabilities
18 were reviewed as well as the statement of
19 revenues, expenditures and changes in fund
20 deficit. Copies of the tentative audit were
21 prepared by Rossi & Rossi today and
22 submitted to Business Administrator Ryan
23 gown. If there are any changes to be made
24 to the audit, they will be made before the
25 final audit is distributed.

1 Since I have not received the draft
2 audit before tonight's meeting I have not
3 yet had a chance to review its contents.
4 The draft audits were not yet distributed,
5 at least not to council members. Once I
6 review the contents of the audit, I will
7 inform the public more regarding the amount
8 of debt of the City of Scranton.

9 Also, once the final copy of the
10 audit is available to the public I will also
11 advise. I'm assuming that the final copy of
12 the audit will be ready rather quickly if
13 there are no alterations.

14 Moving on, as one knows our Market
15 Based Revenue Opportunities Program was put
16 out to bid and there were no bidders. The
17 Market Based Revenue Opportunities Program
18 was a suggestion of PEL and an important
19 part of the budget and revised recovery
20 plan. Scranton City Council has received
21 notification that the Market Based Revenue
22 Opportunities Program has been put out for
23 rebid. Proposals will be opened in council
24 chambers on Tuesday, January 22, just to
25 give everyone an update on that.

1 Moving along, Scranton City Council
2 has received a report from Northeast Revenue
3 regarding delinquent real estate tax
4 collected and distributed, taxes. As one
5 may or may not know, Northeast Revenue
6 collects and distributes all delinquent real
7 estate taxes with the exception of
8 delinquent prior year real estate taxes
9 which are collected and distributed by the
10 Single Tax Office.

11 For the period of December 1 to
12 December 31, the amount of revenue that
13 Northeast Revenue collected and distributed
14 to the City of Scranton was \$56,537.69.
15 Northeast Revenue did not distribute any
16 funds to Pennstar Bank for the collection of
17 the 2004, '5 and '6 delinquent real estate
18 taxes. The default of the Scranton
19 Redevelopment Authority loan payment to
20 Pennstar Bank has finally been paid off and
21 no further payments from the City of
22 Scranton are required, meaning that the
23 collection of 2004, '5 and '6 delinquent
24 real estate taxes will now be realized by
25 the City of Scranton.

1 Northeast Revenue has also collected
2 and distributed \$119,820.86 in delinquent
3 refuse payments for the period of December 1
4 to December 31.

5 And finally, I have a few citizens'
6 requests, the first pertains to the 100 and
7 200 block of North Everett Avenue.
8 Residents of the 100 a 200 block of North
9 Everett Avenue have inform me that the
10 conditions of these two blocks is subpar as
11 there are many potholes and cracks in the
12 road. Residents request that potholes on
13 these blocks be patched as travel conditions
14 are rough.

15 With this in mind, Mrs. Krake,
16 please contact Director Dougher and ask him
17 to handle this problem in the best way that
18 he sees fit.

19 Various Minooks residents have
20 reported to me that the condition of Kane
21 Street is subpar as there are various
22 potholes in the road making travel
23 conditions rough.

24 Mrs. Krake, if you could please add
25 this to the list of the items to contact

1 Director Dougher about. And that is it.

2 MS. EVANS: Thank you. Good evening.
3 Much of what I was going to say this evening
4 has already been covered by our Finance
5 Chair and so all that I can add to that
6 topic is that the 2013 bond payment for the
7 second unfunded debt of 2012 was already
8 made in December 2012 according to Mayor
9 Doherty. Since the amount of money borrowed
10 was less than the prior 2012 unfunded debt
11 and the interest rate was lower, the
12 increase was cut from 12 percent to 10
13 percent. Thus, because the payment was
14 already made for 2013 and the costs are
15 lowered, there appears to be no need for the
16 additional increases beyond the 22 percent
17 that was agreed upon and included in the
18 2013 budget.

19 As a result, council will vote to
20 amend the legislation and include the
21 correct millage rates which reflect a 22
22 percent increase for land and buildings
23 during tonight's meeting.

24 And as I indicated earlier, I also
25 spoke with the mayor this afternoon, and he

1 agreed to council's amendment and stated
2 that he would sign the legislation as
3 amended.

4 Now, with regard to the second
5 unfunded debt and the fact that I mentioned
6 that the 2013 payment has already been made,
7 I had a discussion with our council
8 solicitor regarding just this situation and
9 it is his belief that the taxes collected
10 for payment of the second unfunded debt
11 would go into a sinking fund this year and
12 they would be then applied toward the 2014
13 debt payment.

14 I was also going to report the
15 response we received from the Deputy Chief
16 Al Lucas, but Mr. Rogan has taken care of
17 that.

18 And I think there is another
19 response though that we can report with
20 regard to a question that was posed last
21 week by a council speaker, additional
22 arbitration award payments were made
23 recently to Scranton Police and Fire
24 employees. I learned that payments were
25 made for a health care arbitration award

1 dating back to 2010 which was won by the
2 IAFF and FOP. Approximately \$162,000 was
3 paid to the IAFF and \$199,000 to the FOP for
4 the health care award. The second payment
5 was for the SIT arbitration award to the FOP
6 in the amount of \$1.4 million. These awards
7 were won by the unions for clearcut contract
8 violations.

9 Earlier this week I met with Senator
10 -- I should say State Senator John Blake and
11 members of his staff once again. The
12 senator outlined his ideas to assist
13 Scranton as it faces ongoing financial
14 challenges. For example, he remains
15 committed to a 1 percent countywide sales
16 tax that would be shared with municipalities
17 and is hopeful that it may obtain approval
18 of this year. We also shared our research
19 regarding payroll tax that would replace the
20 business privilege and mercantile taxes and
21 provide lower taxes for small business and
22 tax levies for large business such as banks
23 and for profit portion of tax exempts.

24 If Senator Blake should determine a
25 lack of support for implementation of this

1 tax in Scranton, then in my opinion it
2 appears that Scranton should pursue
3 reclassification to a Third Class city. Ife
4 legislation that pertains solely to the City
5 of Scranton cannot be adopted by the state
6 legislature, there is no compelling reason
7 to remain a class 2A city since our
8 population numbers, according to both the
9 2000 and the 2010 census and certified by
10 the governor of Pennsylvania no longer
11 qualify Scranton as a Class 2A city.

12 Further, the change to a Third Class
13 municipality would seem to strengthen
14 Scranton's ability to enact a commuter tax
15 for 2014. The senator's office will keep me
16 apprised of the developments or lack
17 thereof. And that's it.

18 MS. KRAKE: 5-B. ORDINANCE OF THE
19 CITY OF SCRANTON, LACKAWANNA COUNTY,
20 PENNSYLVANIA APPOINTING W. BOYD HUGHES,
21 ESQUIRE AND PAUL A. KELLY, JR., ESQUIRE AS
22 SPECIAL COUNSEL TO THE CITY OF SCRANTON AND
23 CASECON CAPITAL, INC. AS FINANCIAL ADVISOR
24 TO THE CITY OF SCRANTON ON THE ISSUANCE,
25 SALE AND PLACEMENT OF ANY BONDS AND/OR NOTES

1 FOR THE FINANCING OF THE CITY OF SCRANTON'S
2 UNFUNDED DEBT, ANY TRANSACTION INVOLVING THE
3 SALE LEASEBACK OF CITY ASSETS, ANY
4 TRANSACTIONS INVOLVING THE SALE OR LEASE OF
5 ANY AUTHORITY ASSETS WHICH REDUCES THE CITY
6 OF SCRANTON'S BOND INDEBTEDNESS UNDER THE
7 UNIT DEBT ACT OR RESULTS IN THE PAYMENT OR
8 LOAN OF MONEY BY ANY AUTHORITY TO THE CITY
9 OF SCRANTON, THE REFINANCING OR REFUNDING OF
10 ANY OF THE CITY'S OUTSTANDING BOND ISSUES
11 AND ANY 2013 TAX ANTIICIPATING NOTES OTHER
12 THAN THE 2013 TAN NOTE A AND AUTHORIZING THE
13 MAYOR AND OTHER APPROPRIATE CITY OFFICIALS
14 TO EXECUTE A CONTRACT WITH CASECON CAPITAL,
15 INC.

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

19 MR. ROGAN: So moved.

20 MR. JOYCE: Second.

21 MS. EVANS: On the question? All
22 those in favor of introduction signify by
23 saying aye.

24 MR. MCGOFF: Aye.

25 MR. ROGAN: Aye.

1 MR. LOSCOMBE: Aye.

2 MR. JOYCE: Aye.

3 MS. EVANS: Aye. Opposed? The ayes
4 have it and so moved.

5 MS. KRAKE: 5-C. AMENDING FILE OF THE
6 COUNCIL NO. 100, 1976, ENTITLED "AN
7 ORDINANCE (AS AMENDED) LEVYING GENERAL
8 AND SPECIAL TAXES FOR THE FISCAL YEAR 1977",
9 BY SETTING THE MILLAGE FOR THE YEAR 2013 -
10 EMERGENCY CERTIFICATE ATTACHED.

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

14 MR. ROGAN: So moved.

15 MR. JOYCE: Second.

16 MS. EVANS: On the question?

17 MR. MCGOFF: Yes. I still have
18 questions about whether the millage will
19 achieve -- well, we haven't amended it yet,
20 when it's amended, whether it will achieve
21 the required amount for the budget and I
22 will certainly -- I vote to introduce this,
23 but I don't think that we should vote to
24 move it into Sixth and Seventh Order.

25 MR. ROGAN: I would just state I

1 actually kind of feel almost the exact
2 opposite. I understand, I did talk to Mayor
3 Courtright -- or Tax Collector Courtright
4 this morning --

5 MR. MCGOFF: Freudian slip.

6 MR. ROGAN: Getting ahead of myself,
7 about the discount period and the tax bills
8 that need to go out and I do understand
9 that. Again, I voted against a number of
10 these issues just because I disagreed with
11 much of what was in the budget, that's where
12 my opposition comes from and I will support
13 Mr. Joyce's amendment though when that does
14 come up for a vote because it is a decrease
15 on the tax increase.

16 MS. EVANS: All those in favor of
17 introduction signify by saying aye.

18 MR. MCGOFF: Aye.

19 MR. LOSCOMBE: Aye.

20 MR. JOYCE: Aye.

21 MS. EVANS: Aye. Opposed?

22 MR. ROGAN: No.

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

25 MR. JOYCE: I make a motion to

1 suspend the rules to move Item 5-C to Sixth
2 and Seventh Order to be considered for final
3 passage based on the attached emergency
4 emergency certificate.

5 MR. ROGAN: Second.

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

8 MR. ROGAN: Aye.

9 MR. LOSCOMBE: Aye.

10 MR. JOYCE: Aye.

11 MS. EVANS: Aye. Opposed?

12 MR. MCGOFF: No.

13 MS. EAVNS: The ayes have it and so
14 moved.

15 MS. KRAKE: 6-A, FORMERLY 5-C,
16 READING BY TITLE - FILE OF THE COUNCIL NO.
17 100, 1976, "AN ORDINANCE AMENDING FILE OF
18 COUNCIL NO. 100 OF 1976 - ENTITLED "AN
19 ORDINANCE" (AS AMENDED) LEVYING GENERAL
20 AND SPECIAL TAXES FOR THE FISCAL YEAR 1977",
21 BY SETTING THE MILLAGE FOR THE YEAR 2013 -
22 EMERGENCY CERTIFICATE ATTACHED.

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

25 MR. JOYCE: I make amotion to amend

1 6-A per the following amendments.

2 I make a motion to amend Item 6-A as
3 per the following:

4 Number one, Section 1, line 13,
5 after "Levy on all land of 8.119909" and
6 insert .117975.

7 Line 14, after "Levy on buildings,"
8 delete .026288 and insert .025656.

9 Line 15, delete "19" and insert "17.

10 Line 16, delete ".99 cents
11 (\$119.909) and insert (.975 cents.)
12 (\$117.975.)

13 Line 17, delete "26" and insert
14 "25."

15 Delete .288 cents, (26.288) and
16 insert .656 cents (25.656.)

17 MR. ROGAN: Second.

18 MS. EVANS: On the question? All
19 those in favor signify by saying aye.

20 MR. ROGAN: Aye.

21 MR. LOSCOMBE: Aye.

22 MR. JOYCE: Aye.

23 MS. EVANS: Aye. Opposed?

24 MR. MCGOFF: No.

25 MS. EVANS: The ayes have it and so

1 moved.

2 MR. JOYCE: I move that Item 6-A, as
3 amended, pass reading by title.

4 MS. EVANS: We have a motion on the
5 floor, do we have a second?

6 MR. LOSCOMBE: Second.

7 MS. EVANS: On the question?

8 MR. MCGOFF: Once again, I will state
9 that with these amendments without knowing
10 what the assessed values are that are being
11 used for the calculations there is
12 absolutely no way to determine whether these
13 millage rates will realize the budgeted
14 amount for real estate taxes in 2013 and
15 without that information I think it's
16 impossible to vote on it.

17 MS. EVANS: Well, I am just going to
18 reiterate quickly and then I'll go to you,
19 Mr. Joyce, that the first unfunded debt
20 these tax increases are to fund
21 court-ordered millage rate increases for
22 repayment of the first and second unfunded
23 debt proceedings of 2012. It was determined
24 well in advance by Mr. McGowan that 12
25 percent would cover the first unfunded debt

1 repayment.

2 As for the second one, as I said, it
3 has already been made for 2013. The 10
4 percent collected whether or not -- and, of
5 course, we all know 100 percent of taxes are
6 never collected, that's why we have
7 delinquent taxes, but I don't think that we
8 should be penalizing people who pay their
9 taxes on time by increasing them above what
10 was agreed to to cover for people who don't
11 pay their taxes but, again, the 2013 payment
12 was made. This is going to be a sinking
13 fund toward the 2014 payment and the issue
14 of a real estate tax increase will be voted
15 on once again next year and the following year
16 forever and ever amen, so this amount
17 doesn't stay in effect permanently, and more
18 than that, the second unfunded debt payment
19 has already been made and this is -- this is
20 to comply with the Court order and to set
21 the money aside so that the budget is in
22 better shape for 2014 and that payment, you
23 know, is going to be largely available to be
24 made.

25 MR. MCGOFF: And I'm not arguing,

1 you know, the tax increase, and I understand
2 stand the amount the 22 percent versus the
3 24, I asked the question back when we were
4 doing the budget whether or not we are using
5 -- whether the percentage was based on the
6 revenue or the millage, and I think the
7 answer I received was both. Well, it can't
8 be both. If you are going to use the
9 percentage on revenue, the percentage on
10 millage is going to be higher and we argued
11 this a year ago.

12 My point is only that there is a
13 certain budgeted amount for 2013 and I think
14 that we are voting on tonight is not going
15 to allow us to realize that and I think that
16 that's a mistake that needs to be rectified
17 and that was my only objection.

18 MR. JOYCE: Just to clarify, the 22
19 percent increase is a 22 percent millage
20 increase, it's stated explicitly in the
21 budget, it's not a 22 percent revenue
22 increase. That's all.

23 MS. EVANS: All those in favor
24 signify by saying aye.

25 MR. LOSCOMBE: Aye.

1 MR. JOYCE: Aye.

2 MS. EVANS: Aye. Opposed?

3 MR. MCGOFF: No.

4 MR. ROGAN: No.

5 MS. EVANS: The ayes have it and so
6 moved. Is there anyone who wishes to
7 address council on Item 7-G, formerly 6-A,
8 as amended?

9 MS. SCHUMACHER: Yes, I do. And I
10 hope Mr. McGoff doesn't get hurt when he
11 faints from my saying I agree with him
12 because specifically, and I believe that the
13 Court order was increase the real estate
14 taxes to cover the payments and so it's not
15 a percent of the millage, it's the percent
16 of millage required to cover that payment of
17 that bond for ten years, and I think we are
18 in a pretty precarious position already
19 going in, we have got what general
20 obligation debt service payments of, let's
21 see, about \$14 million right now and,
22 Mr. Joyce, do you happen to recall what our
23 total revenue is from real estate on an
24 annual basis?

25 MR. JOYCE: Currently or --

1 MS. SCHUMACHER: Yeah, roughly.

2 MR. JOYCE: -- without the tax
3 increases?

4 MS. SCHUMACHER: Without the tax
5 increases.

6 MR. JOYCE: Without the tax
7 increases it's \$13.9 million, I believe.

8 MS. SCHUMACHER: So, see, right now
9 we are in a position where most of our real
10 estate taxes are going to go to cover our
11 debt payments, servicing our debt, so it
12 does become critical because I'm not sure,
13 and maybe Mr. Joyce can clear it up, but I
14 recall at that second unfunded debt hearing
15 Mr. McGowan was asked about how much
16 leverage we had as far as reaching our Unit
17 Debt Act ceiling and I believe we are very,
18 very close to that and if we go for the sale
19 leaseback we are going to hit that ceiling,
20 so we are not going to be able to go out to
21 get more money, and unless it's in this
22 budget to cover those payments we are still
23 going to be out of the compliance with the
24 Court order.

25 So I think you do need to look at

1 what the collection rate is assumed,
2 especially since it's going up roughly let's
3 say 22 percent if that's going to decrease
4 the collection rate from, I think we have
5 been using 87 if that's going to drop it
6 down a little bit, and what the actual
7 assessments are in both land and
8 improvements so we see if we got enough
9 money to cover those.

10 I mean, we are cutting all of it
11 pretty close to the wire and with a lot of
12 the other unknowns that are still in the
13 budget for revenue I don't think you can
14 afford to mess this one up. I mean, I think
15 people who are going to take advantage of
16 the discount period pretty much know, I
17 mean, 22 percent they can do it or 25
18 percent or whatever, they pretty much know
19 what we are going to have to come up with
20 and the only thing they don't know is the
21 date, and do you know the date? Is it going
22 to be the end of February?

23 MR. JOYCE: I don't know the date
24 offhand.

25 MS. SCHUMACHER: Okay. But, I mean,

1 I really think it's much more critical this
2 year that you do have those figures and what
3 the amounts are when you apply the millage,
4 so that's my two cents.

5 MS. EVANS: Thank you. Is there
6 anyone else?

7 MS. KRAKE: SEVENTH ORDER. 7-A.
8 FOR CONSIDERATION BY THE COMMITTEE ON
9 FINANCE FOR ADOPTION-RESOLUTION NO. 1, 2013-
10 ACCEPTING A ONE HUNDRED (\$100.00) DOLLAR
11 DONATION FROM NEI AMBULATORY SURGERY, INC.
12 PRESENTED TO THE CITY OF SCRANTON FIRE
13 DEPARTMENT.

14 MS. EVANS: What is the
15 recommendation of the Chair for the
16 Committee on Finance.

17 MR. JOYCE: As Chairperson for the
18 Committee on Finance, I recommend final
19 passage of Item 7-a.

20 MR. ROGAN: Second.

21 MS. EVANS: On the question? Roll
22 call, please?

23 MS. CARRERA: Mr. McGoff.

24 MR. MCGOFF: Yes.

25 MS. CARRERA: Mr. Rogan.

1 MR. ROGAN: Yes.

2 MS. CARRERA: Mr. Loscombe.

3 MR. LOSCOMBE: Yes.

4 MS. CARRERA: Mr. Joyce.

5 MR. JOYCE: Yes.

6 MS. CARRERA: Mrs. Evans.

7 MS. EVANS: Yes. I hereby declare

8 Item 7-A legally and lawfully adopted.

9 MS. KRAKE: There has been a prior
10 motion to table 7-B through G -- excuse me,
11 through F.

12 MR. JOYCE: 7-F.

13 MS. KRAKE: 7-G, FORMERLY 6-A - FOR
14 CONSIDERATION BY THE COMMITTEE ON FINANCE -
15 FOR ADOPTION - FILE OF COUNCIL NO. 1 --
16 2013 - AS AMENDED - AMENDING FILE OF COUNCIL
17 NO. 100 - 1976, ENTITLED "AN ORDINANCE" (AS
18 AMENDED) LEVYING GENERAL AND SPECIAL TAXES
19 FOR THE FISCAL YEAR 1977", BY SETTING THE
20 MILLAGE FOR THE YEAR 2013 - EMERGENCY
21 CERTIFICATE ATTACHED.

22 MS. EVANS: What is the
23 recommendation of the Chair for the
24 Committee on Finance?

25 MR. JOYCE: As Chairperson for the

1 Committee on Finance, I recommend final
2 passage of Item 7-G, as amended.

3 MR. LOSCOMBE: Second.

4 MS. EVANS: On the question? The
5 only thing I would add is, you know, as
6 Mr. Joyce said I'm sure there is no one, no
7 one who feels comfortable with this, who is
8 pleased to raise taxes, but this tax
9 increase is necessary to pay for the two
10 unfunded debt issues of 2011. They have
11 been ordered by two different judges and
12 anyone who votes "no" to this is, in fact,
13 saying "no" to the judges' order and saying
14 that you don't believe it has to be repaid.
15 Because, for example, if everyone on council
16 were to do that then what would happen?
17 There wouldn't be --

18 MR. JOYCE: There would no real
19 estate taxes for 2013 at this point.

20 MS. EVANS: And, obviously the city
21 would collapse --

22 MR. JOYCE: It would collapse.

23 MS. EVANS: And the judges' orders
24 would have been violated, so I do believe
25 that, you know, we, some of us anyway, or

1 most of us, maybe all of us, need to do the
2 responsible thing and comply with the Court
3 order.

4 MR. MCGOFF: That's a gross
5 misinterpretation and misrepresentation of
6 what has been said. This agreement is with
7 the millage rate. Nobody has -- nobody has
8 disagreed with paying or providing for the
9 payment of anything. I believe, actually I
10 believe that we are doing an injustice to
11 what we have already voted upon. We have
12 already voted for a certain revenue item in
13 the budget and I don't believe that with
14 this millage we are going to achieve it and
15 that is all that I stated. It had nothing
16 to do with approving or disapproving of a
17 Court order. This could easily have been
18 voted on to introduce this week and take a
19 look at the assessment rates and vote on it
20 next week for final passage.

21 MS. EVANS: And again, these are the
22 numbers included in the 2013 budget. Is
23 there anyone else on the question? Roll
24 call, please?

25 MS. CARRERA: Mr. McGoff.

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MR. MCGOFF: No.

MS. CARRERA: Mr. Rogan.

MR. ROGAN: No.

MS. CARRERA: Mr. Loscombe.

MR. LOSCOMBE: Yes.

MS. CARRERA: Mr. Joyce.

MR. JOYCE: Yes.

MS. CARRERA: Mrs. Evans.

MS. EVANS: Yes. I hereby declare
Item 7-G, as amended, legally and lawfully
adopted.

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

MR. JOYCE: Motion to adjourn.

MS. EVANS: This meeting is
adjourned, and I do thank the audience
members tonight for their cooperation in
this evening's meeting.

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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
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