

COUNCIL FOR THE CITY OF SCRANTON

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HELD:

Tuesday, November 24th, 2020

LOCATION:

VIA ZOOM

Maria McCool, RPR
Official Court Reporter

1 C O U N C I L M E M B E R S :

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- WILLIAM GAUGHAN, PRESIDENT
- KYLE DONAHUE, VICE PRESIDENT
- MARK MCANDREW
- JESSICA ROTHCHILD
- THOMAS SCHUSTER

- LORI REED, CITY CLERK
- KATHY CARRERA, ASSISTANT CITY CLERK
- KEVIN HAYES, COUNCIL SOLICITOR

1 (Pledge of Allegiance.)

2
3 MR. GAUGHAN: Please remain standing
4 for a moment of silent reflection for our
5 service men and women throughout the world and
6 also for those who have passed away in our
7 community.

8 Let us also take a moment of silence
9 for all of the people in our community, in our
10 country and around the world who have passed
11 away and who have been affected by the
12 coronavirus pandemic.

13 This pandemic has turned our world
14 upside down. But we must remain hopeful and
15 strong. We continue to pray for the doctors,
16 nurses, researchers and all medical
17 professionals who seek to heal and help those
18 affected and who put themselves at risk in the
19 process. May they have protection and peace.

20 Whether we are home in Scranton or
21 abroad, surrounded by many people suffering
22 from this illness or only a few, let us stick
23 together, endure together, mourn together and
24 in place of our anxiety, let us have hope and
25 peace. Thank you. Okay, Miss Carrera, roll

1 call, please?

2 MS. CARRERA: Mr. Schuster.

3 MR. SCHUSTER: Present.

4 MS. CARRERA: Mr. McAndrew.

5 MR. MCANDREW: Present.

6 MS. CARRERA: Dr. Rothchild.

7 DR. ROTHCHILD: Here.

8 MS. CARRERA: Mr. Donahue.

9 MR. DONAHUE: Here.

10 MS. CARRERA: Mr. Gaughan.

11 MR. GAUGHAN: Here. Thank you, Miss

12 Carrera. On November 20th, Council received

13 and interdepartmental memo from the DPW

14 Director, Tom Preambo requesting that Council

15 remove -- currently table legislation which is

16 Resolution No. 49, 2020 which authorized the

17 City to accept the piece of equipment, a John

18 Deer backhoe loader provided by Keystone

19 Sanitary Landfill.

20 A copy of this memo will appear in

21 Third Order next week on the December 1st

22 agenda. And at that time I will entertain a

23 motion to place this resolution in Seventh

24 Order for a final vote.

25 If members of the public wish to

1 comment on this piece of legislation, they may
2 do so by e-mailing the City Clerk at
3 Lreed@scrantonpa.gov by 3 p.m., on the day of
4 the meeting, December 1st. Mrs. Reed, please
5 dispense with the reading of the minutes.

6 MS. REED: Thank you. THIRD ORDER.

7 3-A. QUARTERLY MINUTES OF THE SHADE
8 TREE COMMISSION MEETING HELD FEBRUARY 27, 2020.

9 3-B. CONTROLLER'S REPORT FOR MONTH
10 ENDING OCTOBER 31, 2020.

11 3-C. MINUTES OF THE SCRANTON
12 MUNICIPAL RECREATION AUTHORITY BOARD OF
13 DIRECTORS MEETING HELD NOVEMBER 5, 2020.

14 3-D. CORRESPONDENCE RECEIVED FROM
15 OECD EXECUTIVE DIRECTOR DATED NOVEMBER 17 AND
16 NOVEMBER 19, 2020 REGARDING COVID-19
17 REIMBURSEMENTS THROUGH LACKAWANNA COUNTY CARES
18 ACT FUNDING.

19 3-E. CHECK RECEIVED FROM LUTHERWOOD
20 IN THE AMOUNT OF \$6,000.00 FOR PAYMENT IN LIEU
21 OF TAXES.

22 3-F. CORRESPONDENCE RECEIVED FROM
23 PENNSYLVANIA ECONOMY LEAGUE DATED NOVEMBER 16,
24 2020 REGARDING REVIEW OF 2021 PROPOSED BUDGET
25 AND THE 2020 EXIT PLAN AMENDMENT.

1 3-G. MINUTES OF THE NON-UNIFORM
2 MUNICIPAL PENSION BOARD MEETING HELD
3 OCTOBER 21, 2020.

4 3-H. AGENDA FOR THE NON-UNIFORM
5 MUNICIPAL PENSION BOARD MEETING HELD
6 NOVEMBER 18, 2020.

7 3-I. CHECK RECEIVED FROM VILLA CAPRI
8 CRUISERS CAR CLUB IN THE AMOUNT OF \$500.00 FOR
9 SCRANTON POLICE HOLIDAY DRIVE - COATS FOR KIDS.

10 3-J. MINUTES OF THE SCRANTON POLICE
11 PENSION COMMISSION MEETING HELD OCTOBER 21,
12 2020.

13 3-K. MINUTES OF THE COMPOSITE
14 PENSION BOARD MEETING HELD OCTOBER 21,
15 2020.

16 MR. GAUGHAN: Thank you, Mrs. Reed.
17 Are there any comments on any of the Third
18 Order items? If not, received and filed. Do
19 any Council members have any announcements at
20 this time?

21 MR. DONAHUE: I have --

22 MR. MCANDREW: I do. Go ahead,
23 Kyle.

24 MR. DONAHUE: I just have two quick
25 ones, just a reminder that garbage pickup this

1 week will be a day late after Thursday and next
2 week it will be on schedule. And this is the
3 second to last week for the fall leaf pickup.
4 Just a reminder, there will be no collections
5 in courts or alleys.

6 All collections will be curbside on
7 streets and avenues, no loose piles, no plastic
8 bags, no household trash.

9 MR. GAUGHAN: Any other
10 announcements?

11 MR. MCANDREW: Yeah, I would just
12 like to commend our friends, Friends of the
13 Poor did a fantastic job today with their
14 Thanksgiving takeout dinner. I heard it was a
15 huge success. And also just in case -- if you
16 missed that one, tomorrow Family to Family is
17 also going to have tomorrow from 10 a.m. to 3
18 p.m., at Scranton High School a food basket
19 giveaway. So that's all I have. Thank you.

20 MR. GAUGHAN: Okay. Thank you.
21 Anyone else?

22 DR. ROTHCHILD: Yes, I have a few
23 announcements. I'd also like to thank Friends
24 of the Poor for the events that they're running
25 in order to help get food to families this week

1 for the holidays. I do want to make sure that
2 everyone is taking precautions with the
3 holidays.

4 I know, you know, it's a big time to
5 spend with family and close ones. But with the
6 increase in cases with COVID-19, I would just
7 plead with everyone to stay on the side of
8 caution and, you know, if you can, stay away
9 from family unless they are immediate members,
10 people that you live with, you know, and try to
11 enjoy maybe a smaller Thanksgiving this year,
12 you know, for your safety and for the safety of
13 others so that we can help get the pandemic
14 under control again.

15 So if everyone can try their best to
16 do their part, you know, I'd hate to see people
17 lose loved ones, you know, just to have a nice
18 big Thanksgiving dinner. But I do wish
19 everyone a Happy Thanksgiving. I hope that
20 they enjoy the holiday.

21 The other thing I wanted to bring up
22 for -- was for Nay Aug. So Friday they had
23 their opening night of the lights. The
24 Christmas lights are up. And they look
25 amazing. I think they outdo themselves every

1 year.

2 They're always really hard at work
3 to get those up and running. And, you know,
4 just so people are aware and they could go and
5 visit. They have a couple of options, you
6 know, you could drive through the park to see
7 the lights. You could also get a horse-drawn
8 carriage ride through the park. And I think
9 that's for \$10 for adults and \$5 for children.

10 So that's a nice thing to be able to
11 do. And this year they have an old fashion
12 hayride that's a lit up hayride. And I had the
13 opportunity to go on it. And it was really
14 neat and fun experience. And that's for \$5.
15 And I think that's on Sunday, Tuesdays, and
16 Thursdays starting after 5:00.

17 So I definitely encourage people to
18 check out the lights. You know, I think that
19 is really a great thing that we have in our
20 area around this time of year and a nice thing
21 to be able to do and get out of the house and
22 something that's safe to do in this time of
23 year too.

24 And the one last announcement that I
25 had, Scranton Tomorrow is running a campaign

1 called Light Up Downtown. And part of that
2 campaign they're going to have Small Business
3 Saturday coming up this Saturday, November
4 28th.

5 And I know that this time of year
6 especially with Black Friday, people are often,
7 you know, shopping at some of the bigger
8 retailers or in the case of this year, shopping
9 online.

10 But please don't forget about our
11 small businesses downtown, many of whom I'm
12 sure are struggling and could use your business
13 and probably have, you know, much better
14 products than you'd be able to find in some of
15 those -- some of those other stores and bigger
16 retailers too.

17 You could also get gift cards for
18 people to use later on. So as much as you can,
19 don't forget to support our local businesses.
20 And Saturday will be a great day to get out and
21 take a look at what those places have.

22 And if you go to Scranton Tomorrow's
23 website too, they do have a list of businesses
24 that are participating in that. And some of
25 them are giving, like, discounts or coupons.

1 That's all I have. Thank you.

2 MR. GAUGHAN: Okay. Thank you.

3 Anyone else? All right. I have two quick
4 ones, City Hall is going to be closed this
5 Thursday and Friday, November 26th and 27th in
6 observance of the Thanksgiving holiday.

7 And next week, Tuesday, December
8 1st, Council will hold a public hearing at 5:45
9 p.m. for the purpose of receiving comments on
10 the City's 2021 operating budget. Anyone
11 wishing to offer comment, please send those
12 entitled 2021 budget to lreed@scrantonpa.gov by
13 3 p.m., prior to the hearing.

14 You could also send it to 340 North
15 Washington Avenue by mail and just put it to
16 the City Clerk, Lori Reed. And that's all I
17 have. Mrs. Reed?

18 MS. REED: FOURTH ORDER. CITIZENS
19 PARTICIPATION.

20 MR. GAUGHAN: Thank you. Before we
21 get to Citizens Participation, we do have
22 Melissa Hughes here from PFM to speak to the
23 Tax Anticipation Note legislation that we have
24 in Seventh Order. I believe it's 7-A.

25 So I think, Melissa, the last time

1 you were here we were talking about the
2 interest rate and there's a new term sheet. So
3 if you just want to talk about that and then
4 we'll answer any questions.

5 MS. HUGHES: Absolutely. And, thank
6 you, Councilman Gaughan. As I was here two
7 weeks ago and updated everyone, we got a really
8 wonderful proposal from Webster Bank. They had
9 originally quoted a 1.209 percent. And that
10 was an indicative rate.

11 They provided yesterday the locked
12 rate which is 1.201 percent, so slightly lower.
13 It does not translate to a lot in dollars but
14 always happy to see any increased benefit to
15 the City. And that rate is firm now.

16 MR. GAUGHAN: Okay. Great. Any
17 questions for Melissa on the TAN legislation?

18 ATTY. HAYES: Councilman Gaughan, if
19 no members of Council have questions, I have a
20 few questions.

21 MR. GAUGHAN: Sure.

22 MS. HUGHES: Certainly.

23 ATTY. HAYES: All right. Melissa,
24 Councilman Schuster in particular, requested
25 me -- requested I obtain clarification on some

1 of the closing fees that are baked into the
2 proposal which has been submitted to Council.
3 And there's approximately \$44,350 worth of
4 closing costs.

5 The biggest item that is included in
6 those closing costs is \$20,850 for bond counsel
7 fees.

8 MS. HUGHES: Yes.

9 ATTY. HAYES: My first question to
10 you is, can you explain to Council why bond
11 counsel would be needed in this transaction
12 because I've been a party to TANs and we did
13 not have bond counsel.

14 MS. HUGHES: Certainly. So the role
15 of bond counsel in any financing transaction is
16 their job is to make sure that all of the
17 financing is done in a way that comports with
18 both IRS law and the Local Government Unit Debt
19 Act. So that is bond counsel's role in the
20 overall transaction.

21 I can't speak to other transactions
22 you may have been involved in, Solicitor Hayes.
23 Perhaps you had one where the bank had a lawyer
24 who prepared the documents and you paid the
25 bank for it. Sometimes that is done. But

1 there as the City, you are giving up basically
2 your power to the bank. And that's generally
3 not as favorable. You want the --
4 everything -- your way.

5 In this particular case, we also
6 have the lockbox structure associated with EIT.
7 So there is additional documentation related to
8 that to make sure everything is set up and all
9 the money flows in such a way that provides the
10 correct legal security both for the eventual
11 bank purchaser and for the City of the role of
12 bond counsel.

13 ATTY. HAYES: So is it your position
14 that Webster Bank demanded that there be bond
15 counsel?

16 MS. HUGHES: Webster did not demand
17 that there be bond counsel. It is standard
18 practice of the City to have its own bond
19 counsel.

20 ATTY. HAYES: I understand that
21 because they -- so the bond counsel is Stevens
22 and Lee, correct?

23 MS. HUGHES: Yes.

24 ATTY. HAYES: How was Stevens and
25 Lee selected as bond counsel? I notice they

1 charged the same fee of \$20,850 last year when
2 they -- which coincidentally is just below the
3 21,000 bidding threshold when they served as
4 bond counsel in -- for the last year's bond.
5 How was Stevens and Lee selected?

6 MS. HUGHES: I don't know how
7 Stevens and Lee was selected originally to be
8 your bond counsel. But Stevens and Lee has
9 been your bond counsel historically.

10 ATTY. HAYES: For how many years?

11 MS. HUGHES: Now, you're asking me a
12 question I don't know the answer to right off
13 the top --

14 ATTY. HAYES: I mean, so in other
15 words, there was no RFQ or RF -- I mean --

16 MS. HUGHES: Not that I facilitated.

17 ATTY. HAYES: Okay. How is the fee
18 of \$20,850 determined? Is that essentially --
19 would you -- is that essentially they write a
20 letter, an opinion letter?

21 MS. HUGHES: They write an opinion
22 letter, you're right. And then they also draft
23 and handle all the documentation associated
24 with it. It's not just the opinion.

25 ATTY. HAYES: So that's a service

1 that, in other words, the bank counsel -- bank
2 doesn't have its own counsel involved?

3 MS. HUGHES: The bank has its own
4 counsel involved to review documents.

5 ATTY. HAYES: So Stevens and Lee is
6 doing the work of the City in this regard?

7 MS. HUGHES: They're serving as bond
8 counsel in this capacity.

9 ATTY. HAYES: For the City.

10 MS. HUGHES: Yes.

11 ATTY. HAYES: And it's just a flat
12 \$20,850 fee. It's not -- in other words, it's
13 not based on the hours expended, correct?

14 MS. HUGHES: That is typically how
15 those fees are charged. That's also inclusive
16 of expenses associated with it. So I think his
17 fee is 20,850 is an estimate of --

18 ATTY. HAYES: Is there a specific
19 lawyer who's assigned -- who is serving in this
20 capacity?

21 MS. HUGHES: Yes, Brian Koscelansky.
22 And he is -- so for the benefit of everyone, in
23 order to be a bond counsel you need to be
24 listed in what's call the Red Book, the Bond
25 Buyer Red Book. And that is a certification

1 that you are competent to practice this
2 particular type of law. It is a very
3 specialist type of law and Brian is in the Red
4 Book.

5 ATTY. HAYES: And just so we all
6 understand, this wasn't a demand -- having bond
7 counsel wasn't a demand or a request on the
8 part of Webster Bank. It was something that
9 was offered up by the City, correct?

10 MS. HUGHES: Yes. And that has been
11 the historical practice of the City. You know,
12 to be frank, Brian participated in
13 conversations we had with the bidders to help
14 them understand the security structure to make
15 sure everybody understood how the EIT flows
16 because that was a major part of the security
17 structure for the TAN.

18 Both this year and historically
19 we've been using this structure for a good
20 period of time.

21 ATTY. HAYES: When you say
22 historically, do you mean throughout the course
23 of the Courtright administration?

24 MS. HUGHES: I don't think it was
25 the -- I don't think we used it the first year

1 of the Courtright administration, but the
2 Courtright administration and then Councilman
3 Evans. Well, he's Mayor since then but --

4 ATTY. HAYES: And then the second
5 largest line item is your firm's fee of
6 \$10,000.

7 MS. HUGHES: Yep.

8 ATTY. HAYES: And how do you arrive
9 at that number?

10 MS. HUGHES: That's a flat fee that
11 we charge based, you know, basically on the
12 complexity of the deal. That's generally how
13 fees get quoted. And so, you know, what I have
14 done as part of the process and over the last
15 year has been available to the City to help
16 them understand their overall debt portfolio,
17 help go through the negotiation process to
18 identify the banks and answer questions that
19 they had. Yeah. And --

20 ATTY. HAYES: Okay. Because it's a
21 flat -- because I see -- I saw you charged the
22 same amount last year. So it's just a flat
23 \$10,000 fee regardless of how much work is
24 involved. You know, whatever is involved, it's
25 just a flat \$10,000 fee charged by your

1 company, correct?

2 MS. HUGHES: Yeah, it's a flat fee.

3 ATTY. HAYES: And that's on top
4 of -- you have an existing contract with the
5 City, correct?

6 MS. HUGHES: Yes. We do have a
7 existing contract with the City. So for
8 2020 -- so for -- during the course of 2020, we
9 haven't had any bond transactions to do. And
10 that's fine. Some years you're not going to
11 have any bond transactions to do. So, you
12 know, this is --

13 ATTY. HAYES: This isn't a bond
14 transaction though. This is a TAN, correct?

15 MS. HUGHES: It's still a debt
16 transaction.

17 ATTY. HAYES: Right. It's a loan,
18 essentially, correct?

19 MS. HUGHES: Yes.

20 ATTY. HAYES: It's a loan that you
21 have to pay back within the course of the year?

22 MS. HUGHES: Yes. I'm using those
23 terms interchangeable.

24 ATTY. HAYES: Right. And I just --
25 I mean, we just heard from Mr. Cross of how we

1 have to be so diligent --

2 MS. HUGHES: You're asking good
3 questions.

4 ATTY. HAYES: And so I just need to
5 understand for the Council and the public, how
6 is PFM compensated outside of this through the
7 City? Is it monthly fee or is it an hourly
8 fee?

9 MS. HUGHES: No, we charge a flat
10 fee when we complete a transaction.

11 ATTY. HAYES: Okay.

12 MS. HUGHES: Yeah.

13 ATTY. HAYES: All right. And --

14 MS. HUGHES: Yeah, I'm not writing
15 you a bill and sending you a bill every month.

16 ATTY. HAYES: No, I understand.
17 It's just a flat -- you guys do a TAN. You
18 charge \$10,000 for the TAN, correct?

19 MS. HUGHES: Yes.

20 ATTY. HAYES: Even if it's largely
21 similar to the one that was done last year,
22 it's still the same fee, correct?

23 MS. HUGHES: Yes. And I could tell
24 you that it was a tremendous amount of work
25 this year given COVID.

1 ATTY. HAYES: Okay.

2 MS. HUGHES: You are getting your
3 money's worth absolutely this year.

4 ATTY. HAYES: Right. I understand.

5 MS. HUGHES: Yep.

6 ATTY. HAYES: Okay. That's I think
7 all the questions I have on the fees. We just
8 needed clarification on that.

9 MS. HUGHES: Absolutely.

10 ATTY. HAYES: I guess I'll check
11 with the law -- I did reach out to the Law
12 Department, but I'll ask them again how this
13 arrangement with bond counsel came about just
14 so -- because the issue was raised by Council.
15 Thank you, Melissa.

16 MS. HUGHES: I just -- I just don't
17 have any --

18 ATTY. HAYES: I understand. It was
19 a decision of the administration, correct?

20 MS. HUGHES: Yeah. They've been
21 your historical bond counsel. And they have
22 the institutional knowledge which is frankly
23 when you are doing any type of debt transaction
24 whether it's a TAN or long-term financing, it's
25 very valuable.

1 ATTY. HAYES: Let me just ask you,
2 how many agreements are involved exactly in
3 the, you know, we have Exhibit A. How many
4 agreements are involved in --

5 MS. HUGHES: Like, how many exhibits
6 will there be to the closing document?

7 ATTY. HAYES: Yes.

8 MS. HUGHES: Eighteen to 20, like,
9 in total, you know filing with the --

10 ATTY. HAYES: Right. I've done them
11 for other municipalities. I just want to make
12 sure it's the same situation.

13 MS. HUGHES: Yes, it's the same
14 situation. The City just has a little bit of
15 an expanding one because of lockbox
16 arrangement.

17 ATTY. HAYES: Okay.

18 MS. HUGHES: There's some additional
19 document -- there's absolutely additional
20 documentation and additional work.

21 ATTY. HAYES: Okay.

22 MS. HUGHES: But it pays off because
23 you get significantly better rates.

24 ATTY. HAYES: Understood.

25 MS. HUGHES: Yeah.

1 ATTY. HAYES: That's all for me. I
2 don't know if anyone on Council has followup
3 questions.

4 MR. SCHUSTER: Just to be clear,
5 this is a loan. It's not a bond.

6 MS. HUGHES: It is a loan. Forgive
7 me, I'm using the term bond and loan
8 interchangeably to mean debt instrument.

9 MR. MCANDREW: I have a question.
10 So, okay, so just because this counsel's been
11 used historically, doesn't make it a necessity
12 to use them for a loan versus a bond.

13 MS. HUGHES: You -- in my
14 professional opinion, you need a bond counsel
15 to get this transaction done and completed.
16 It's at the Council's discretion always who you
17 want to hire for that service. You know, if
18 you want to look at for 2021, but I do believe
19 it is a professional service that you need.

20 MR. GAUGHAN: Okay. Any other
21 questions on the TAN? All right. And,
22 Melissa, were you going to speak tonight -- and
23 I know Carl Deeley is on the line, our Business
24 Administrator, just to the options that were
25 presented by PFM in terms of the financing

1 and -- for financing and the budget, the
2 options listed in the budget?

3 MS. HUGHES: Yeah, would you like me
4 to do that now?

5 MR. GAUGHAN: Yeah, that would be
6 very helpful.

7 MS. HUGHES: Okay. Is it okay if I
8 share my screen?

9 MR. GAUGHAN: Yes, that would be
10 great.

11 MS. HUGHES: Okay. So hopefully
12 what you're seeing on my screen is a summary of
13 the City's outstanding debt. I'm going to zoom
14 in a little bit here.

15 MR. GAUGHAN: Yep, we can see it.
16 Thank you. That's great.

17 MS. HUGHES: Okay. Great. I'm
18 going to walk through each of the issues for a
19 minute because Councilman Schuster asked about
20 it. So columns two through nine are the City's
21 general obligation debt.

22 Column 11 is an existing lease that
23 the City has with M&T. Normally I don't
24 include this on the debt summary. We would
25 typically focus on columns two through ten.

1 I included it this year because one
2 of the things we at least analyzed was does it
3 make sense to refund that lease into a general
4 obligation debt instrument.

5 Without getting too much into
6 details, if it could have been originally used
7 to -- if the purpose of the original loan was
8 something that could have been done with a
9 lease or a loan, you can switch from a lease to
10 a loan. So that's why we're analyzing that
11 this year.

12 So I'm going to go across the bottom
13 here. You'll notice the ones in red, columns
14 two and three were the Series A and AA of 2016.
15 The purpose of those was A of 2016 was to
16 finance the judgment. I think, Councilman
17 Gaughan, you were around when we completed that
18 transaction.

19 MR. GAUGHAN: Yes.

20 MS. HUGHES: You probably remember
21 that.

22 MR. GAUGHAN: Yeah.

23 MS. HUGHES: And then also
24 simultaneously, we did a refunding of the 2008
25 bonds for savings and made a small pension

1 deposit associated with the judgment financing.

2 As you might recall, one of the
3 things the City negotiated was that some of the
4 judgment would be paid out and some of it would
5 be deposited to the pension fund.

6 The amount that was deposited in the
7 pension fund had to be financed on a taxable
8 basis. That's why it was sent out separately.
9 You'll notice that 2016 A bond has a
10 (inaudible) in 2024. We're monitoring your
11 debt portfolio always for refunding
12 opportunities.

13 Right now it doesn't make sense to
14 refinance that one for debt service savings.
15 The AA of 2016 because it was issued on a
16 taxable basis, at the time the market then
17 demanded what's called a make whole call. That
18 means basically you can't refund it for a debt
19 service savings.

20 You could refund it for
21 restructuring purposes but not for debt service
22 savings. So that's probably not a candidate.
23 The next column is your series of 2002 notes.
24 Those notes are issued through the Emmaus
25 General Authority Program. And they are in

1 variable rate mode.

2 Because they're in variable rate
3 mode, those notes are refinanceable at any time
4 with 30 days' notice. We've historically over
5 the years monitored these notes for refunding
6 potential starting in 2016 and kind of every
7 time we've looked at something.

8 Historically, it hasn't made sense
9 to refinance those loans because the loans in
10 variable rate, they're paying on a short term
11 basis.

12 And even say in 2014 and 2015, the
13 short term rates were very low. The
14 differential between short term and long term
15 rates meant that it made more sense to continue
16 to hold it in variable rate mode. And rates
17 have been very low over time.

18 But even before kind of this
19 question came up about refinancing, that had
20 been a candidate that we had been discussing
21 with the administration that in 2021 assuming
22 things kind of settled out with the Act 511
23 lawsuit that that would be something we would
24 target for refinancing.

25 So I think irregardless of

1 everything else that's up for discussion
2 tonight, you know, we would have been coming to
3 you in the first quarter to discuss a potential
4 refinancing of that particular series because
5 of the delta between short term and long-term
6 rates right now and the City's improved credit
7 quality over time.

8 The next two, five and six are loans
9 through various state programs. In 2012, the
10 DCED gave a no-interest loan or low interest
11 loan for cash flow. That does not make sense
12 as a refinancing candidate. And in 2015, the
13 City borrowed through the Pennsylvania
14 Infrastructure Bank Program.

15 That program is a really wonderful
16 program that ultimately the proceeds need to be
17 used for something fundamentally road related.
18 So you can't just go and do anything in that
19 program. It has to have a specific purpose.

20 Then in 2016, we did the refinancing
21 of the Scranton parking debt and then also a
22 little bit of new money that I understand was
23 used for fire stations? That sounds right,
24 police or fire stations. It's escaping me
25 exactly which one.

1 MR. GAUGHAN: Fire stations, I
2 believe.

3 MS. HUGHES: Fire stations, yeah.
4 I'm like it's stations of some kind. And, you
5 know, that was done, you know, to stop the
6 bleeding of the parking system. In 2017, we
7 did a transaction to refund and also paid off a
8 whole bunch of debt that the City incurred in
9 2003 with proceeds of the sewer sale.

10 Some of it was done with proceeds of
11 the sewer sale. And then also in exchange for
12 refunding this particular series, it saved
13 money but made sense to do so on its own. But
14 also in addition, the bond insurer on those old
15 bonds gave the City a payment that went towards
16 reducing debt and it kind of -- in exchange for
17 doing that.

18 At the same time, those 2017 bonds,
19 they were shortened up. It was part of the
20 overall plan of finance. And then we have the
21 lease from M & T -- oh, I skipped one. We have
22 the lease from M & T. And then in 2018 as you
23 may recall when the City had kind of the
24 remaining funds left that they wanted to
25 deposit into the pension fund, in order to get

1 credit for the MMO in that fiscal year; we had
2 to do it by the mechanism of a pension note.

3 There is nothing in Act 205 that
4 says if you just put money in the City's
5 pension fund you get credit for it. You have
6 to go through a mechanism of pension note. And
7 the City opted to issue a variable rate loan so
8 we could get the shorter variable rate --
9 variable rates.

10 And then that -- those funds would
11 be deposited at Webster Bank and held in an
12 account. And the idea is that that money would
13 be there to kind of pay it off as the City made
14 payments and because it's in variable rate
15 mode, the City could repay it at any time with
16 30 days' notice.

17 So if there was favorable Act 511
18 determination that, you know, reduced the
19 City's risk profile that that loan could be
20 collapsed early at any time. I'm giving you a
21 lot of background on the City's debt portfolio
22 because it's helpful as we think about kind of
23 which options to consider. And if it's okay,
24 I'm going to switch what I'm sharing here.

25 MR. GAUGHAN: Sure.

1 MS. HUGHES: Okay. I'm still going
2 to share. I just want to share a different
3 document. So we looked at kind of four
4 scenarios. First base case, you do nothing.
5 So that's kind of a base case. You literally
6 do nothing.

7 Scenario A, looks at a refinancing
8 of that 2002 Emmaus loan and takes the savings
9 in the 2021 budget year. That's the one that
10 we think makes sense to do in any scenario.
11 You would have done it no matter what.

12 Then you could defease the 2018 POB
13 with the funds on hand at Webster Bank because
14 the original purpose of that was related to
15 2005 and mitigating the Act 511 lawsuit.

16 You know, that risk has diminished
17 over time. So it might make sense to get rid
18 of that at this point. And then the City would
19 use the Labor and Industry funds towards any
20 shortfall. That's Scenario A.

21 Scenario B, you do the 2002
22 refunding. We keep a portion of the 2018 POB
23 and refund it into a long-term financing and
24 you keep the L&I money.

25 Scenario C, refund the 2002 Emmaus

1 loan, refund that M & T lease; and the reason
2 we would consider that or at least look at as a
3 possibility, it has a one year debt service
4 reserve associated with it.

5 So you would need refinancing to
6 release back those funds. But the lease does
7 have a prepayment condition which isn't
8 particularly favorable to the City.

9 And then also looked at refunding a
10 portion of the 2021 payment for the 2017 bond,
11 pushing it out later in the debt portfolio and
12 then doing a smaller portion of the taxable
13 refunding of the POB. And you keep all the
14 funds on hand at Labor and Industry.

15 So I think I said a lot of things.
16 Kind of the summary of it I think is what you
17 need to know here. So we want to compare
18 what's the total debt service and then how much
19 funds on hand do we want to have at the end of
20 the day.

21 So these kind correspond to the
22 scenarios I've already outlined. So if you do
23 nothing, your total remaining debt service
24 would be 149.9 million. If you use the Labor
25 and Industry funds and fully defease the 2018

1 POB, that would give you the lowest total debt
2 service because you're going to have the
3 shortest overall debt portfolio. But you'll
4 end up with the smallest amount of cash. So
5 it's balancing those two things out.

6 MR. GAUGHAN: Melissa, I don't want
7 to interrupt you. So the cash from Scenario A
8 would be 16 million 600,000. Is that the line
9 you're looking at -- are we supposed to look
10 at?

11 MS. HUGHES: The other kind of line
12 in yellow. So base case 149.9 versus 23.1,
13 131.1 versus 2.

14 MR. GAUGHAN: Okay. I got it.

15 MS. HUGHES: Yep. That's good.
16 Scenario B is going to have the most debt
17 service but also the most cash on hand. It's
18 also the least complicated of the two debt base
19 scenarios. And there's some beauty to lower
20 complexity.

21 We want to do complex things if they
22 get you somewhere, right? And then Scenario C
23 you can kind of see is in the middle in terms
24 of debt service and in the middle in terms of
25 funds on hand. So I'm kind of in the same camp

1 with Jerry. So I think one other consideration
2 perhaps related to those Labor and Industry
3 plans he talked very articulately earlier about
4 how those funds are really earned funds.

5 The kind of alternative long term
6 purpose of those would be to go into an OPEB
7 trust. And the benefit of having an OPEB trust
8 is it pays you, you know, dividends and goes to
9 reduce overall costs in the long-term. So
10 preserving more rather than less can provide
11 you know, additional flexibility in the long
12 term.

13 MR. GAUGHAN: Okay. So let me just
14 see if I could get this straight. And I
15 appreciate you explaining all that and going
16 through that for us. So you're suggesting that
17 the best scenario would be, which one, A or B?

18 MS. HUGHES: B.

19 MR. GAUGHAN: B. Okay. And that
20 would -- and then so -- under that scenario,
21 the City would not -- if everything worked out
22 perfectly, the City would not have to utilize
23 any of those Labor and Industry funds, the
24 excess reserve funds?

25 MS. HUGHES: Yeah, instead what you

1 would do is you would refund Emmaus loan, which
2 again we're going to do in any scenario. It
3 just makes sense to do.

4 So refund the Emmaus loan and then
5 refund a portion of the bank loan at Webster
6 into a long-term fixed rate option, probably a
7 10-year term. Keeping it inside of 10 years is
8 beneficial for a whole host of reasons. You
9 pay less interest if it's inside 10 years.

10 We can potentially do a bank
11 financing, which is a bond financing. Those
12 have lower upfront fees associated with them
13 which I think everyone is appreciative of. And
14 they typically have more flexibility associated
15 with them. And then you also preserve that
16 funding.

17 MR. GAUGHAN: Okay. And that
18 unlocks almost 11 million dollars in savings.

19 MS. HUGHES: Well, it unlocks 4.4
20 million of the money at Webster. But it keeps
21 your 400,000 at M & T and keeps your 6 million
22 at L & I.

23 MR. GAUGHAN: Okay.

24 MR. SCHUSTER: Yeah, when you're
25 referring to the L & I, the L & I is that money

1 that would go through towards the trust,
2 correct, Melissa?

3 MS. HUGHES: Yes, correct. Yes.

4 MR. SCHUSTER: Yeah, so that total
5 of 10.8, Mr. Gaughan, is 6 million of that
6 money plus the 4.4 saved with the refinancing.

7 MS. HUGHES: Exactly. Exactly. And
8 then you still keep the money at M & T which,
9 you would, you would just either be released to
10 pay the final payment on that loan or released
11 when the lease is up.

12 MR. GAUGHAN: And you stated that
13 you would probably be recommending this anyways
14 even outside of a shortfall, correct?

15 MS. HUGHES: Well, the Emmaus
16 refunding, yes. The Webster refunding, that
17 one is driven more situationally.

18 MR. GAUGHAN: Okay.

19 MS. HUGHES: And we wouldn't have to
20 consider them simultaneously. For instance, we
21 could pursue auctions in the market in January
22 for the Emmaus refunding, test the market that
23 way. Come back. Report -- hopefully we'll get
24 something very good there because that one
25 could be done in tax exempt basis.

1 The Webster refunding would be done
2 on a taxable basis. They need to be kind of
3 thought of separately anyways. We could do
4 that one, get a sense of the market. And then
5 in May when it sounds like you're going to have
6 a lot better sense of what you really need is
7 4.4 million, the number; come back and have
8 further discussions about exactly what the
9 refunding restructuring scenario looks like. I
10 don't want to do 4.4 if you need 2.2.

11 MR. SCHUSTER: Yeah, when we're
12 looking at that Emmaus, how much money does
13 that -- how much does that free up just on that
14 one alone?

15 MS. HUGHES: It's about 175,000.

16 MR. SCHUSTER: Okay. And then that
17 other refinancing would make up the rest of
18 that 4.4 million?

19 MS. HUGHES: Um hum. Yeah. Yeah.
20 It just depends on the one is a much bigger
21 loan than the other one.

22 MR. SCHUSTER: Yeah, so, I mean, the
23 Emmaus alone we would do -- we would probably
24 be doing that anyway. But it only frees up
25 about \$100,000.

1 MS. HUGHES: Yeah, it's not hugely
2 material. But it still makes sense to do
3 because it's money in your pocket.

4 MR. GAUGHAN: Okay. Does anyone
5 else have any questions for Melissa? And is
6 Carl Deeley still on the line? Carl is a
7 glutton for punishment the last few weeks. He
8 keeps coming back, which we appreciate.

9 MR. DEELEY: Absolutely, Council.
10 It's the highlight of my week.

11 MR. GAUGHAN: I know it is, Carl.
12 So, Carl, after -- and by the way, we
13 appreciate, you know, you both coming in and
14 explaining all of this to us, really -- really
15 helps us make sound decisions.

16 So, Carl, with that information, you
17 know, I know you've provided several options in
18 the budget. But it looks based on what PFM is
19 saying that Scenario B would be -- make the
20 most sense. So is that what the Mayor and you
21 are, you know, is that what you're gearing up
22 towards for 2021?

23 MR. DEELEY: It does. And I refer
24 back to as well the update from PEL. As they
25 said, the key thing is the uncertainty. That's

1 the big issue here. And I know as Melissa
2 said -- as Melissa said too the -- it's
3 really -- it gives us -- at least gives us
4 options to trigger the action on this, you
5 know, in a timely way so that we can -- we've
6 got various options as Melissa pointed out.

7 So we may not have to trigger any of
8 it. We can trigger some of it. And then it's
9 also flexible in terms of the overall kind of
10 cash that we -- if we need it. So we do like
11 that flexibility. And obviously anything that
12 we do too, obviously would always come through
13 Council.

14 So we could have that dialogue as
15 well, you know, really well ahead of the time
16 when we actually execute on it. And as PEL's
17 kind of mentioned, the key thing here is
18 monitoring very closely the cash flows and not
19 just the revenues.

20 But as Councilman Schuster points
21 out too, it's the cost as well how are we
22 tracking against our expenditures and then
23 really decide what we want to do in a timely
24 fashion. So we think it to be some time around
25 that kind of May/June time where you really

1 feel the pinch depending on the results, the
2 revenues coming in.

3 So, you know, as we get into that
4 February/March, you know, we'll be looking at
5 the indicators. And I think having that
6 dialogue, I think we can with the support of
7 PFM as well in terms of, you know, what's it
8 looking like. And we'll have a threshold when
9 we have to decide to execute.

10 MR. SCHUSTER: Now, like we said
11 like a few seconds earlier, that first 2002
12 piece is going to free up about \$100,000.
13 We're going to do that anyway. That would have
14 been something that would have been put there
15 anyway.

16 When we're looking at refinancing
17 that other piece, say it ends up being that we
18 need 2.7 rather than that 4.4, what are we
19 going to look to do at that point in time? Are
20 we going to refinance that and get that 4.4?
21 And then what are we doing with the remaining
22 funds?

23 MR. DEELEY: Yeah, and I think
24 that's the thing as we move along, right, as we
25 go into next year, again, we believe there's

1 going be -- we're a little bit more let's say
2 optimistic, right, going into next year and
3 just based on the fact that we got a vaccine.

4 And again, we talked about this on
5 the pension meeting last week as well. And,
6 you know, we asked our advisors then, you know,
7 what their ideas were. And we're continually
8 looking at the outlook for next year. So with
9 a vaccine coming out in December, again, we're
10 hoping that that will take effect obviously in
11 the new year.

12 So, yeah, I think the idea here is
13 we keep our options open. That's the whole
14 point I think of this is a bit of a -- the
15 intention is not to use it. The intention is
16 to minimize the effect on, you know, kind of
17 using that as a cash injection, right, in terms
18 of that one-time cash injection.

19 We'd rather have -- we'd rather use
20 that, you know, for other things. And again,
21 going back to I think PEL's notes on the
22 underlying longer term problems that we've got
23 to solve here is, you know, this is -- whatever
24 we do in this short term to get through the
25 COVID issue is very much just a -- you know,

1 it's delaying things, not stopping things.

2 What we fundamentally have to do is
3 look at the way that we raise revenues and the
4 way that the, you know, our overall economy
5 looks. And that's not a short term deal. So
6 this is about not delaying the restructuring,
7 not delaying the preparations to enable the
8 City to do something different, right, in order
9 to get truly into a recovery, right, rather
10 than, you know, we're just kind of treading
11 water and, you know, surviving yet another
12 year.

13 And, you know, there's never --
14 obviously next year with the uncertainty, I
15 know it's a bit of a hard pill to swallow and
16 we talk about restructuring, we're putting some
17 positions in. We're trying to retain and maybe
18 attract talent as well. It's a difficult thing
19 to ask.

20 But if we don't do it next year,
21 then again, we're just going to delay it
22 another year. Can we do that? And again, this
23 is obviously -- this has been a really good
24 discussion this evening. I've actually really
25 enjoyed it.

1 I know the questions that Council
2 asked, these are the things I think we really
3 need to talk about and obviously agree, you
4 know, what is the best strategy, you know,
5 what's the timing on the execution of the
6 changes that we're, you know, that we're
7 actually proposing.

8 MR. SCHUSTER: That's a good point
9 that you raised there, Mr. Deeley. That's why
10 I feel like if we knew -- I mean, right off the
11 bat the easiest thing to do is control
12 expenses. So looking at next year if the
13 revenues were coming in as they usually do, it
14 might be easier to look at some of those
15 positions.

16 But right now the easiest thing is
17 to control those expenditures. When we're
18 looking to do something like this, like I said,
19 if we don't need the 4.4 that this generates,
20 what are the cons to doing -- I mean, I've gone
21 through some of these deals in the past.

22 But maybe explain it to the public,
23 what are the cons or what are the downsides of
24 refinancing one of these deals? We're pushing
25 off debt service payments -- give us some of

1 those.

2 MS. HUGHES: Certainly. So I think
3 one key feature that at least as I would
4 envision it, is we wouldn't do something until
5 we knew how much we needed to do to exactly
6 your point.

7 I don't want to do a 4.4 million
8 dollar deal if you don't need a 4.4 million
9 dollar cash infusion. If you need two, we
10 should do two. And that's the whole point I
11 think of waiting until we have a little bit
12 more clarity before executing something.

13 Because you are -- it is
14 fundamentally a restructuring where you are
15 delaying some principal. I mean, I will tell
16 you for the benefit -- I know you were at the
17 school district. When we originally structured
18 this loan, we structured it with an incredibly
19 aggressive amortization.

20 It had a five year amortization for
21 a whole bunch of reasons related to the
22 original purpose of the transaction. We're
23 going to be pushing it to something that's more
24 historically normal. But I very much hear you
25 on those pros and cons.

1 You know, whenever you delay the
2 repayment of debt service, it does pay more
3 interest over time. Absolutely.

4 MR. DEELEY: And this is the crux of
5 this discussion is, do we just hold on for
6 another year and, you know, just kind of really
7 take every step we can to reduce or hold costs
8 through next year and then hopefully things
9 improve hopefully 2022, 2023 is a better year
10 and we start to look at what do we need to do
11 to really look at restructuring.

12 And obviously I think we already
13 started to do obviously with the tax committee,
14 the Mayor's tax committee, I think that's a
15 great start for us. And certainly the intent
16 is as we go into next year is to leverage that,
17 leverage those findings and start to put those
18 into play as early as we can, right, and really
19 anticipate in 2022 is when we really make those
20 fundamental shifts to start to move the needle
21 on the City.

22 So the -- you know, the fundamental
23 structure that PEL described, right, I think
24 first of all, I didn't get a chance to take
25 thank them. It's great to have that

1 continuity, right, I think through the
2 financials, you know, of the City over the last
3 20 years.

4 You know, we -- we're on this path.
5 And we've got to get off this path just like
6 every other City in Pennsylvania and other
7 states. So the question is, when do you get
8 off this path because we delay it and
9 absolutely we can -- let's say we don't
10 refinance.

11 Let's say we do need a scenario we
12 do need that additional finance. Let's say we
13 need an extra million dollars. And we
14 refinance and we take that. You know, that
15 when you think about it in terms of the impact
16 it will have on the medium or longer term of
17 the City, it's absolutely minimus, right, it's
18 negligible (inaudible.)

19 So it's really about what, you know,
20 what do we want to do now? What -- do we want
21 to start taking action in 2021 to really look
22 at the way the City needs to be set up and the
23 way our tax structure needs to be set up so we
24 could put those things into place.

25 And I think as, you know, I think we

1 talked about previously when we don't think we
2 could get there from here with what we have
3 right now -- the structure that we have and,
4 you know, the bench strength that we have to
5 get out of this.

6 So we could push it down the road
7 and say look for better times or we can start
8 to kind of work on it, you know, in 2021.

9 And that is the whole, you know, the
10 whole premise thinking around this budget is,
11 you know, starting earlier generally better
12 than kicking it down the road.

13 MR. GAUGHAN: Thank you. Any other
14 questions for Melissa or Carl on the options of
15 the budget?

16 MR. SCHUSTER: I mean, I guess when
17 we're talking about starting it earlier, what
18 are we actually talking about starting early?

19 MR. DEELEY: So too starting as we
20 go into next year, so the reorganization
21 obviously which is a big part of the
22 discussion, right, I think on the expenditures
23 I think has been raised. So building our bench
24 strength, putting an organization in place that
25 can actually drive change in the City.

1 And, you know, I think being able to
2 do the things that we want to do where at, you
3 know, a lot -- you know, in terms of the City,
4 in terms of the day-to-day activities, it's --
5 a lot of it is just really just keeping up with
6 the basic transactions and keeping the City
7 running rather than working on the City and
8 actually putting projects together working on
9 the future of the City.

10 And what are the changes that we
11 need to make, right, so that we are, you know,
12 longer term more sustainable, right, as a
13 community. So if we don't do it now when do we
14 start? You know, the problem is not going to
15 get smaller.

16 MR. GAUGHAN: Okay.

17 DR. ROTHCHILD: I have a question
18 for, Melissa. Would you be able to provide us
19 with what you had shown us, the debt profile of
20 the City? I'd like to take a closer look at
21 that and then, you know, maybe absorb some more
22 information about it and then ask you -- send
23 you some questions as they come along.

24 MS. HUGHES: Yeah, absolutely. I'll
25 provide it to Carl.

1 DR. ROTHCHILD: Thank you.

2 MR. DEELEY: Yeah, and feel free
3 obviously, Council, feel free to reach out
4 anytime. We don't have to wait for the
5 specific meetings. But if you have any
6 particular questions or clarification, you
7 know, please reach out.

8 MR. GAUGHAN: Carl, one of the
9 things that obviously we talked about earlier
10 is the changes we need to make to the budget to
11 correct the increase in salary with the
12 bargaining agreements. So you are going to
13 provide that to Council at some point over the
14 next few days, correct?

15 MR. DEELEY: Yeah, so I think as we
16 talked about today in term of the amendments
17 that we were tracking, so even from I think the
18 dialogue that we've been having with Council,
19 we've got a list of things. I think you've
20 raised some very valiant points which need to
21 go into the budget so we can provide that list
22 of the amendments that we got.

23 And obviously as we go forward with
24 I think further dialogue and ultimately also we
25 get kind of a public comment as well, you know,

1 we may want to make other amendment too. But
2 absolutely, we could supply that to you this
3 week.

4 MR. GAUGHAN: Okay. Great. And in
5 terms of, you know, if you did a refinancing
6 obviously is one of the options. We talked
7 about this during the caucus about using that
8 line item of intergovernmental transfer, is
9 that -- if we did a refinancing, would those
10 funds -- is that where they would go into the
11 intergovernmental transfer line item as revenue
12 or how would that work?

13 MR. DEELEY: I think that is a great
14 question. And that's something that I think
15 I'm going to take to get some advice in terms
16 of where it sits, you know, in this particular
17 budget, you know, where does it sit from a
18 revenue perspective. So I'll definitely need
19 to look into that.

20 That's a good question and something
21 which I probably need to talk to -- I'll send
22 to Treasury about it, maybe get some outside
23 advice as well.

24 MR. GAUGHAN: Okay. Thank you. And
25 then, Carl, in terms of the -- it's on our

1 agenda tonight in Sixth Order. One of the
2 things that the administration is doing is
3 incorporating the refuse bill on the real
4 estate tax bill in 2021.

5 Has there been a cash flow analysis
6 on whether or not there will be any -- to look
7 at any sort of impact on our cash flow as how
8 that money now comes in because we're doing it
9 differently than we have in the past.

10 MR. DEELEY: Yeah, so obviously one
11 of the key things is from a City perspective
12 is obviously benefit from the community, but
13 from the City also because it smooth that --
14 potentially it's going to smooth out the
15 revenue cycle for us.

16 So instead of having the two kind of
17 main influxes of revenue, you know, we're going
18 to spread that out through the year. So that
19 in itself will help things. And, you know,
20 obviously, we talked about the TAN this
21 evening, you know, which is one of key vehicles
22 that we use to maintain the cash flows through
23 the ebb and flow of the natural revenues that
24 we have.

25 And certainly that's -- that's going

1 to be a benefit to the City. But it's the
2 first time we would have seen it in terms of
3 the payments, maybe the first and second
4 payments because it's an earlier payment. The
5 first payment would be earlier but certainly we
6 made some assumptions on that, yeah.

7 MR. GAUGHAN: Okay. So there
8 shouldn't be any negative impact by doing -- by
9 putting a refuse bill in the real estate tax
10 bill in terms of our cash flow.

11 MR. DEELEY: No, not at all. It's
12 beneficial rather than negative.

13 MR. GAUGHAN: Okay. And I just have
14 two other things too. We're not funding the
15 Scranton -- or the plan that you presented is
16 not funding the Scranton Plan. And I believe
17 we're not funding Scranton Tomorrow only using
18 the funds that we get in from the University of
19 Scranton.

20 So can you just -- that's kind of a
21 different approach than has been taken in the
22 past. So can you talk about that and explain
23 it?

24 MR. DEELEY: Yeah, I'll have to take
25 that back to the Mayor in terms of the

1 rationale and kind of the reasoning behind
2 that. We had some difficult conversations the
3 last three or four months in terms of what
4 the -- what we believe the City can fund.

5 But certainly I will take that back
6 to the Mayor. And we'll come back to you with
7 the answer on that.

8 MR. GAUGHAN: Okay. Great. Thank
9 you. Any other questions?

10 MR. SCHUSTER: Yeah, when -- sorry.
11 Go ahead, Mark.

12 MR. MCANDREW: I don't really have a
13 question just -- you know, I took this all in.
14 And I'm going to tell you where I'm at. I like
15 Scenario B, all right, because we continue to
16 see money or the workman's comp money goes into
17 a trust that produces dividends like you said.
18 So that's -- I like that idea.

19 I understand -- I still understand
20 the position of the City and the desire for the
21 proposed new positions and the increases. But
22 my position is still it should be phased in. I
23 don't agree doing it this year. So, you know,
24 I'd look at options of phasing it in being more
25 fair and equitable for everybody else.

1 And we keep going back to COVID and
2 the uncertainty. So because of that, that's
3 where I am at with all of this. Thank you for
4 the presentation, Melissa. And, Carl, thank
5 you for always coming back to us and have this
6 open dialog.

7 MR. DEELEY: I appreciate that,
8 Councilor and, yeah, and that's what this is
9 all about, right, I think is getting that input
10 and ultimately -- obviously everybody on this
11 call has got the community at heart.

12 And ultimately we're going to do the
13 best thing, you know, for the community going
14 forward. So I appreciate your comments. Thank
15 you.

16 MR. SCHUSTER: I'd like to thank you
17 too. It's been -- we've been going back and
18 forth for several days. And we're getting a
19 lot of information out there. And we're really
20 talking this over. Going back to the TAN, how
21 do we arrive at the bond counsel that we use?

22 MR. DEELEY: I think as Melissa
23 explained, this was a carryover I think from
24 previous years. And so I think really just
25 precedent has been set in terms of the way that

1 the TAN had been prepared in the past and we
2 just followed that process.

3 So there was no -- certainly from
4 the City perspective, there was no
5 predetermined view on, you know, whether we --
6 whether this particular counsel is the right
7 counsel or not.

8 MR. SCHUSTER: Okay. And normally
9 that would go through an RFP process?

10 ATTY. HAYES: RFQ.

11 MR. SCHUSTER: RFQ.

12 MR. DEELEY: Well, I think you can
13 go through an RFQ, yeah.

14 ATTY. HAYES: You did that for labor
15 counsel and when you used Stevens and Lee for
16 appellate counsel I know. No -- I think --
17 yeah, that's how it was done in the past.

18 MR. SCHUSTER: Is there a bid
19 threshold for professional services? I don't
20 know that offhand.

21 ATTY. HAYES: 21,000. This is just
22 below that, 21,000 on an annual basis.

23 MR. SCHUSTER: Okay.

24 MS. HUGHES: I will offer,
25 Councilman Schuster, usually municipalities

1 have their bond counsel for as long as they
2 practice typically because they usually have
3 institutional knowledge that they are building
4 on -- just for your benefit.

5 MR. SCHUSTER: Okay. All right.
6 Thank you.

7 MS. HUGHES: Yep.

8 MR. GAUGHAN: All right. Any other
9 questions for Melissa or Carl? All right.
10 Thank you so much, Carl and Melissa, for coming
11 tonight and answering our questions. I think
12 the budget is on -- well, it's on our agenda
13 tonight in Sixth Order. And we'll pass it and
14 we'll table it for further discussion.

15 We have a public hearing next week.
16 So we'll continue to converse back and forth
17 until we have a passed budget in probably in
18 the middle of December. Okay?

19 MR. DEELEY: Appreciate it. Thank
20 you.

21 MS. HUGHES: Thank you.

22 MR. GAUGHAN: Thank you. Have a
23 good night. Have a nice Thanksgiving too.

24 MS. HUGHES: Yeah, you too.

25 MR. GAUGHAN: Okay. Now, I would

1 like at this time if someone would please make
2 a motion to accept public comment from the
3 following individual: Fay Franus.

4 MR. DONAHUE: So moved.

5 MR. SCHUSTER: Second.

6 MR. GAUGHAN: There's been a motion
7 and a second to accept public comment.

8 Mrs. Reed, would you please read Miss Franus's
9 comments into the record?

10 MS. REED: Thank you. Miss Franus'
11 comments are as follows:

12 Council,

13 Bill Gaughan, last week you answered
14 my first question since March. It was in
15 regards to why did council not fight for the
16 people to get them their 50 million dollars
17 that they were overtaxed for?

18 You said that would be like biting
19 off your nose to spite your face because the
20 city would have to file bankruptcy.

21 I definitely believe filing
22 bankruptcy is the best thing this city can do.
23 You would have a fresh start . People are lead
24 to believe by filing bankruptcy.

25 Their taxes can go way up. Scranton

1 is already taxing us out of our homes now. That
2 lawsuit the city just won allows for the city
3 to tax the people as high as they please, with
4 no limits.

5 With bankruptcy you can open up
6 these outrageous union contracts. So NO ---Bill
7 Gaughan you are wrong in my opinion.

8 I heard Mayor Cagnetti say at last
9 Thursday's budget meeting she feels sympathetic
10 to the people who have not paid their garbage
11 fees in decades and might possibly knock off
12 their penalties and interest they owe Really?

13 I have to ask why would the Mayor
14 feel bad for these people? Would it be helpful
15 in her election to get all of their votes?

16 Mayor Cagnetti should know by doing
17 so it may leave a really bad taste in the
18 mouths of the 75 % of the people who have paid
19 for all of those who haven't paid their garbage
20 fee for over a decade.

21 Would the Mayor want to lose THEIR
22 votes? I would not think so.

23 The Mayor's priorities are
24 definitely mixed up. If anything Mayor Cagnetti
25 should feel sympathetic to all of us who paid

1 more than we had to, to cover the cost for
2 those who didn't.

3 Again if your answer to collecting
4 these late garbage fees is to continue to put
5 liens on properties that does not work. If you
6 put this fee in the property taxes that only
7 accounts for going forward. This city needs to
8 aggressively go after the people with late fees
9 for decades.

10 As for Mayor Cognettis wishes to
11 give out raises and create positions when
12 people don't have food or losing their
13 businesses city council should never vote for
14 any of this--NONE.

15 Council mentioned if Mayor Cognetti
16 can justify these new positions and raises then
17 you would consider it.

18 There is no justification for any
19 new jobs or raises period! People are broke
20 already because of all of the cities payroll
21 and benefits. Enough already.

22 Council can't keep giving the Mayor
23 every thing she wants.

24 Scranton is a distressed city with
25 sky rocketing taxes and fees. Stop coming to us

1 for all of your senseless needs. If you filed
2 bankruptcy years ago we would not have these
3 problems.

4 The Police and Fire Department
5 contracts are up at end of December 2021 right
6 after election day. Is the Mayor going to give
7 away the store to get all of the union votes
8 too like Bill Courtright did? We the taxpayers
9 must pay for those hefty demands from the
10 unions. Never forget that.

11 ECTV should get \$120,00 in this
12 budget . They deserve every penny. They have
13 been working for years with hardly anything
14 barely getting by. It is time they get their
15 fair share of the Comcast Franchise fee. If it
16 were not for ECTV workers we would not have a
17 clue what was going on in the city. They are to
18 be thanked.

19 MS. REED: Submitted by Fay Franus.

20
21 (This concludes public comment as
22 submitted to Council.)

23
24 MR. GAUGHAN: Thank you, Mrs. Reed.
25 On the question? Anyone on the question for

1 public comment? I'd like to thank Miss Franus
2 for her comments. Again, anyone who has
3 comments on the budget, there's a public
4 hearing on December 1st next Tuesday at 5:45.
5 So those comments on the budget will be read
6 into the record by Mrs. Reed.

7 So if you are interested in
8 reviewing the budget, you could access it by
9 going to www.scrantonpa.gov. It is on our
10 agenda from last week so you could download
11 that and you can take a look at it and give us
12 your comments and any suggestions you have.
13 Anyone else on the question? All those in
14 favor signify by saying aye.

15 MR. SCHUSTER: Aye.

16 MR. MCANDREW: Aye.

17 MR. DONAHUE: Aye.

18 DR. ROTHCHILD: Aye.

19 MR. GAUGHAN: Aye. Opposed? The
20 ayes have it and so moved.

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

22 MOTIONS.

23 MR. GAUGHAN: Thank you. Councilman
24 Schuster, any motions or comments tonight?

25 MR. SCHUSTER: No, nothing at this

1 time.

2 MR. GAUGHAN: Thank you. Councilman
3 McAndrew, any motions or comments?

4 MR. MCANDREW: Yes, I (audio
5 interruption.)

6 MR. GAUGHAN: Oh, can't hear you,
7 Mark. Mark -- can anyone else hear Mark? No?

8 ATTY. HAYES: I could read his lips
9 though.

10 MR. MCANDREW: -- get some answers
11 here. So that --

12 MR. GAUGHAN: Mark, I'm sorry. We
13 missed what you said from the beginning. It
14 cut out for some reason.

15 MR. MCANDREW: Can you hear me now?

16 MR. GAUGHAN: Yeah, we can hear you
17 now, yeah. So you might have to start over.

18 MR. MCANDREW: It happens every
19 week. It's that hacker, I'm telling you. All
20 right. So last week during the budget hearing
21 I posed two questions to Mr. Deeley and Mayor
22 Cagnetti. I've yet to receive responses.

23 So here they are again, Mrs. Reed,
24 could you please forward these. Last week I
25 asked -- (audio interruption.)

1 MR. SCHUSTER: You're muted again.

2 MR. GAUGHAN: I think he's cutting
3 out.

4 MR. MCANDREW: -- I'm not referring
5 to, you know, someone in the bargaining unit.
6 These are supervising positions. And the
7 second question was, what is going to be total
8 number or the amount for the new positions,
9 increases, including total compensation,
10 benefit, salary and pension contribution.

11 Last week we got a number of
12 838,000. That's without these -- so I'm still
13 awaiting that total number that's going to be
14 added to the budget. All right. And then I
15 have another question. You know, I saw
16 Sunday's article about the gas card reports and
17 that they're being done, you know, in City
18 Hall.

19 My question is, we have a fleet
20 manager now. I thought he was hired to do
21 that. So I'd like to know if that's part of
22 his job descriptions if we get them finally or
23 a better summary or better descriptions. We
24 got the summaries that were only that. They
25 were summaries of the new positions and some of

1 the ones that are getting increases.

2 So a job description always with me
3 was a list of duties, whether they're hourly,
4 daily, not just a sentence or two. So I would
5 like a, you know, get better clarifications on
6 the job descriptions.

7 And lastly, the day after tomorrow
8 is Thanksgiving. You know, I want to wish
9 everybody a Happy Thanksgiving. We got to keep
10 it safe. Keep it small. I'm only an instant
11 message or e-mail away if you need any help
12 because I know for a lot of people out there,
13 this is going to be the first time they're
14 preparing a Thanksgiving dinner.

15 And I'm happy to help relieve some
16 of that anxiety. Feel free to reach out to me
17 if you're having problems putting that meal on
18 the table. With that said, that's all I have.
19 Thank you.

20 MR. GAUGHAN: Thank you, Councilman
21 McAndrew. Dr. Rothchild, any motions or
22 comments?

23 DR. ROTHCHILD: No motions or
24 comments, just that I could probably use some
25 of Councilman McAndrew's help. I could cook

1 somewhat, but I might need some ideas from him,
2 so expect a message.

3 MR. MCANDREW: Okay. It's on
4 Facebook. I have a bunch of tips and recipes
5 so check it out.

6 DR. ROTHCHILD: Perfect. Thank you.

7 MR. GAUGHAN: Thank you. Councilman
8 Donahue, any motions or comments?

9 MR. DONAHUE: Council received a
10 complaint last week about the conditions of the
11 300 block of Forest Court, which is between the
12 parking garage and the Diocesan Center in
13 between Linden and Mulberry.

14 So I did talk to the DPW Director
15 Friday afternoon. So I'm hopeful to have an
16 update for whoever called in that complaint to
17 Council's office by the meeting next week. And
18 I'll save the rest of my comments for agenda
19 items.

20 MR. GAUGHAN: Okay. Thank you.
21 Solicitor Hayes, do you have an update for us
22 on Miss Schumacher's request I think from maybe
23 three weeks ago? She asked for a list of
24 outstanding lawsuits and the names of the
25 attorneys or law firms representing the City in

1 concern that, you know, that the pool at Nay
2 Aug Park will not be ready for next year. And
3 I share those concerns. I mentioned last week
4 that I was up at Nay Aug Park at the pool with
5 the Recreation Authority Board member last
6 year. There was several issues up there.

7 And there was money -- capital
8 expenditure money in the budget in the amount
9 of \$250,000 I believe that was earmarked by the
10 previous administration to replace the liner
11 and to fix the inside of the pool. There are
12 several things that had to be done.

13 We didn't get a response yet. I
14 think we need a response as soon as possible.
15 You know, I'll be talking to the Mayor this
16 week. And if -- I think we should look at if
17 there is some way that we can either pass
18 legislation or, you know, if the administration
19 is not willing to release those funds or look
20 at the impact on the budget moving towards the
21 end of the year because it's my understanding
22 that without those funds, the pool will not be
23 ready for next year.

24 So it's a major concern of mine. I
25 don't know what next -- this upcoming summer

1 will look like in terms of being able to swim
2 in the pools. But if the news of vaccines and
3 everything else keeps up, I think there may be
4 an opportunity. So if it's not done next year,
5 it will have to be then the year after.

6 So it's something that, you know,
7 it's an asset of the City. We have to continue
8 to invest in it and make sure that it's being
9 kept up properly. At this time, I'd also like
10 to make a motion to request from the Scranton
11 Sewer Authority a full accounting of all escrow
12 accounts and also request a timeline from the
13 Authority on the release of those dollars in
14 the escrow accounts to the City.

15 MR. DONAHUE: Second.

16 MR. GAUGHAN: There's been a motion
17 and a second. On the question? On the
18 question, the reason I make this motion, I
19 think we should get an update. I'm not too
20 sure exactly what amount of money is left in
21 these escrow accounts. But I do know in
22 reading the recent newspaper article that it
23 looks like the issues there with -- that the
24 different property owners what was holding up
25 the release of those funds to the City that is

1 coming to an end.

2 So I think that there is a potential
3 that we could look at those dollars as a
4 funding source potentially for next year
5 depending on how much that amount would be.

6 And I think there was a few million
7 dollars in one escrow account. And then I
8 think there was a second one. But I'm not
9 positive off the top of my head. So there's
10 another opportunity I think here that those
11 dollars could potentially go towards covering
12 the shortfall for next year. So that's why I
13 made that motion.

14 If it passes I think we should send
15 that to the Executive Director or the Scranton
16 Sewer Authority and to get that information as
17 soon as possible. Anyone else on the question?

18 MR. DONAHUE: And just on the
19 question, it is my understanding that, you
20 know, the majority of the easement issues were
21 cleared. But, you know, there still are the
22 ones from the opt-outs that needs to be settled
23 in one form or the other. So I know if, you
24 know, all the money would be available or if
25 some of the money will be available.

1 But I agree in 100 percent of
2 getting an accounting of, you know, what could
3 potentially be available. I would just caution
4 about, you know, saying, you know, funding
5 sources because I think at some point too, you
6 know, we're going to have to talk about how
7 we're going to use that money as a startup
8 funds for some sort of stormwater management
9 system whichever way we go there in the next,
10 you know, two to five years.

11 MR. GAUGHAN: Anyone else on the
12 question? All those in favor of the motion
13 signify by saying aye.

14 MR. SCHUSTER: Aye.

15 MR. MCANDREW: Aye.

16 MR. DONAHUE: Aye.

17 DR. ROTHCHILD: Aye.

18 MR. GAUGHAN: Aye. Opposed? The
19 eyes have it have it so moved. And the last
20 thing, Mrs. Reed, if we could just request a
21 copy -- usually when we get the budget we
22 receive a copy of the workers' compensation
23 reserve analysis and loss forecast.

24 So if we can just request a copy of
25 that at some point before the next Council

1 meeting. And that's all I have. Mrs. Reed?

2 MS. REED: Thank you. 5-B. FOR
3 INTRODUCTION - AN ORDINANCE - AUTHORIZING THE
4 MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO
5 EXECUTE AND ENTER INTO AN AGREEMENT FOR
6 COLLECTION OF DELINQUENT MUNICIPAL CLAIMS ON
7 BEHALF OF THE CITY OF SCRANTON WITH PORTNOFF
8 LAW ASSOCIATES, LTD. AND APPROVING COLLECTION
9 PROCEDURES, APPOINTMENT OF SOLICITOR, INTEREST
10 ASSESSMENT, CREDIT CARD AND DEBIT CARD
11 CHARGES, AND FEES AND COSTS TO BE ADDED TO THE
12 AMOUNT COLLECTED AS PART OF UNPAID MUNICIPAL
13 CLAIMS FOR DELINQUENT ACCOUNTS.

14 MR. GAUGHAN: Thank you, Mrs. Reed.
15 At this time, I'll entertain a motion that Item
16 5-B be introduced into its proper committee.

17 MR. DONAHUE: So moved.

18 DR. ROTHCHILD: Second.

19 MR. GAUGHAN: On the question?

20 MR. DONAHUE: On the question, I'd
21 like to just make a motion that we request
22 Portnoff to come into one of our caucuses just
23 to give us a presentation on, you know, how
24 they, you know, their collection procedures,
25 some of their expectations and then maybe

1 answer any questions we might have before final
2 passage.

3 MR. GAUGHAN: Okay. There's been a
4 motion. Is there a second?

5 MR. SCHUSTER: Second.

6 MR. GAUGHAN: There's been a motion
7 and a second. On the question?

8 MR. DONAHUE: On the question, I
9 just -- this is, you know, with contracts of,
10 you know, this significance, I think it's
11 normal practice that they just come in and just
12 give us a presentation.

13 MR. GAUGHAN: I agree. Anyone else
14 on the question? Okay. There's been a motion,
15 a second, on the question. All those in favor
16 of the motion signify by saying aye.

17 MR. SCHUSTER: Aye.

18 MR. MCANDREW: Aye.

19 MR. DONAHUE: Aye.

20 DR. ROTHCHILD: Aye.

21 MR. GAUGHAN: Aye. Opposed? The
22 ayes have it and the motion passes. On the
23 question, I have a few questions here. I agree
24 with Councilman Donahue that we should ask that
25 Portnoff come in and answer questions. But

1 there's a few things that stuck out to me in my
2 initial review of this.

3 Number one, I'd like to see the RFP
4 submissions for all five bidders to this
5 request for proposals. One of the things that
6 I did not see is the time political
7 contribution disclosure form or any disclosure
8 forms that are usually always in the backup or
9 should be in the backup to this legislation.

10 In light of all of the issues that
11 we had with NRS here within the last few years,
12 I think it's extremely important that we make
13 sure that any and all information is disclosed
14 to Council before we would ever make a final
15 decision.

16 In looking at the agreement, it
17 allows for Portnoff to collect all unpaid
18 collections of the Municipal Claims and Tax
19 Lien Act. However, the RFP was limited to the
20 collection of delinquent refuse fees for the
21 years 2002 to 2020.

22 I believe that the contract and the
23 ordinance needs to be amended so that it only
24 covers the services that were contained in the
25 actual request for proposals.

1 I'd also like to request that prior
2 to this being approved if it is approved that
3 the -- there's unpaid fees and costs up to a
4 certain amount that Portnoff is including in
5 their proposal.

6 And I'd like to request that we
7 consider having them first come back to the
8 City and to Council to request prior
9 authorization so that the City is not stuck
10 with a large amount of unpaid fees or costs
11 owed to them and other outside attorneys
12 because they have not collected it or the
13 agreement is terminated at some point.

14 Also, in my review of this RFP, it
15 states that Portnoff has been used by other
16 municipalities, specifically it's indicated
17 that they have seven local contracts. So I'm
18 very interested to determine whether these
19 other municipalities have had a positive
20 experience. So I think we need to contact
21 those seven local municipalities who have
22 contracts with Portnoff.

23 I think we need to really, really
24 take a close look at this before final passage.
25 And as Councilman Donahue said understand the

1 business model that would be used.

2 I was also under the impression that
3 this would be kind of a short term thing
4 because we were going to work towards moving in
5 the direction of the county for the county to
6 perform this type of work.

7 I think we need to look at the term
8 that's included in the contract. It says it
9 would be -- I think re-up every year or
10 something to that effect unless either party
11 says that they don't want to do that. So I
12 think we need to take a look at that.

13 Again, these questions are being
14 asked in the spirit of transparency and in
15 order for us to conduct our due diligence in
16 light of the negative experience we had with
17 NRS. I don't think we want to make the same
18 mistake.

19 We want to make sure that all of our
20 I's are dotted and our T's are crossed. And
21 that starts with the disclosure, which quite
22 frankly, I cannot understand or believe that
23 that was not included here. This is at least
24 the second or third time that that
25 documentation has not been included with the

1 contract or legislation.

2 And we've had to ask for, you know,
3 it to be included. Then we have to put it in
4 Third Order. It just is unacceptable. I could
5 see it maybe happening once, twice but this is
6 like the third or fourth time. And it should
7 not happen.

8 I've made a point in speaking with
9 the Law Department and the administration that
10 political contribution disclosures are
11 important.

12 Attorney Hayes and I pushed for that
13 to be included in all RFPs moving forward. And
14 I think that that's important again, in light
15 of all of the things that have gone on in the
16 past just to be extremely transparent. So
17 that's all I have on that. Any other
18 questions? Or anybody else on the question?

19 MR. MCANDREW: I agree. The
20 disclosure three times in a row and we're
21 always told it was an oversight. So, I mean,
22 three times, shame on us. We have to fix this.
23 Thanks.

24 DR. ROTHCHILD: I was just going to
25 express the same thing that, you know, I agree

1 that it's unacceptable. And I really can't
2 understand why these documents wouldn't be
3 included. The disclosure forms are important.
4 And so I feel like they should know at this
5 point we're going to ask for that.

6 And it's making more work on our end
7 and theirs. So if they could just include that
8 from right off the bat, I don't think there
9 would be an issue.

10 MR. GAUGHAN: I agree. Anyone else
11 on the question? All those in favor of
12 introduction signify by saying aye.

13 MR. SCHUSTER: Aye.

14 MR. MCANDREW: Aye.

15 MR. DONAHUE: Aye.

16 DR. ROTHCHILD: Aye.

17 MR. GAUGHAN: Aye. Opposed? The
18 eyes have it and so moved.

19 MS. REED: 5-C. FOR INTRODUCTION -
20 A RESOLUTION - RATIFYING AND APPROVING OF
21 THE EXECUTION AND SUBMISSION OF THE GRANT
22 APPLICATION BY THE CITY OF SCRANTON POLICE
23 DEPARTMENT TO THE COMMONWEALTH OF PENNSYLVANIA
24 ACTING THROUGH THE COMMONWEALTH FINANCING
25 AUTHORITY FOR A LOCAL SHARE ACCOUNT GRANT

1 PURSUANT TO THE GAMING FUNDS GRANT PROGRAM IN
2 THE AMOUNT OF \$257,925.00 TO INSTALL A HVAC
3 SYSTEM IN EMERGENCY SERVICES CENTER (FORMERLY
4 SERRENTI ARMORY) LOCATED AT 1801 PINE STREET,
5 SCRANTON, PENNSYLVANIA, AND AUTHORIZING THE
6 MAYOR AND OTHER APPROPRIATE CITY OFFICIALS OF
7 THE CITY OF SCRANTON, PENNSYLVANIA, TO ACCEPT
8 THE GRANT, IF SUCCESSFUL, AND EXECUTE AND ENTER
9 INTO A LOCAL SHARE ACCOUNT GRANT CONTRACT AND
10 COMMITMENT LETTER WITH THE COMMONWEALTH OF
11 PENNSYLVANIA TO ACCEPT AND UTILIZE THE GRANT IN
12 THE AMOUNT OF \$257,925.00 AWARDED BY THE
13 COMMONWEALTH OF PENNSYLVANIA FOR SUCH PROJECT.

14 MR. GAUGHAN: At this time I'll
15 entertain a motion that Item 5-C be introduced
16 into its proper committee.

17 MR. DONAHUE: So moved.

18 DR. ROTHCHILD: Second.

19 MR. GAUGHAN: On the question?

20 MR. SCHUSTER: On the question. I
21 think in the past there was some questions
22 asked about the total expense that has been put
23 forth at this point in time for this building.
24 Did we ever get any of that information?

25 MR. GAUGHAN: I believe we did.

1 Mrs. Reed, did the -- I think the Business
2 Administrator provided a breakdown of what has
3 been spent. I think in the past we've received
4 a breakdown of all the money that's been
5 allocated for that building, correct?

6 MS. REED: I believe so, Councilman.
7 And I'll check the BA and the Police Department
8 files and pull the information I have and I'll
9 send to Councilman Schuster.

10 MR. SCHUSTER: Thank you. I know
11 this is a grant. And it's great to see grant
12 money going towards some of these projects.
13 Maybe looking at this going forward we see what
14 the administration has in mind of upgrades and
15 work being done and see if we can get maybe an
16 end goal in sight or at least estimate of where
17 they're going to go with this facility.

18 MR. GAUGHAN: Okay. Anyone else?
19 I was originally opposed to the acquisition of
20 this property for a number of different
21 reasons, one of which was because at that time
22 in 2017 with the position that we were in
23 financially, I just didn't feel that adding
24 another asset that the City would have to
25 maintain and take care of would make much

1 sense.

2 And at that time it wasn't clear
3 what the cost would be moving forward in terms
4 of maintaining and the upkeep of that building.
5 With that being said, the building was
6 acquired. I did not win that battle.

7 So at this point, you know, you
8 can't put toothpaste back in the tube. The
9 fire department and police department I believe
10 are both starting to use this building in some
11 capacity. This grant does not require a match
12 from the City, which is good thing.

13 And I think it's in the amount of
14 \$257,925 to repair the HVAC system. So at this
15 point since we already have acquired it and
16 there's already been money put into it, it
17 really doesn't make sense to me to sit on it
18 and not try to make it into a useable facility
19 with keeping in mind to use as much grant money
20 as possible so it doesn't affect our overall
21 budget.

22 One of the benefits of this that no
23 one could have foresaw back in 2017 was the
24 potential use for this facility as an overflow
25 location for COVID patients in the event that

1 our hospital system is filled to capacity,
2 which we're not there yet. But, I mean, over
3 the next few months, who knows what could
4 happen at the rate that the cases are rising.

5 So inadvertently I think this
6 actually turned out to be not a terrible thing
7 because we do have the building. It's close to
8 the hospital system and, you know, it could
9 benefit the City in the long run. So I'll be
10 voting for this -- to this grant.

11 And again, I think it's important to
12 know that there's no match requirement by the
13 City. So hopefully we get the full amount.
14 Anyone else on the question?

15 MR. MCANDREW: I have a quick one.
16 So, I mean, I know like you said you can't put
17 toothpaste back in the tube. But so we used a
18 lot of COVID money so far to put into this
19 building, am I correct in saying that, or some
20 funds went towards that with the thought
21 process that we might need it.

22 But I'm not clear because this is
23 all new too with the COVID money. So if we put
24 COVID money, a lot of COVID money into that
25 building and don't use it for such, is there

1 any penalty for that or is that going to come
2 back on us?

3 MR. GAUGHAN: I don't believe -- I
4 don't know off the top of my head. But I don't
5 believe so because the intent when they use the
6 money I think to fix the plumbing and to do
7 something else it was -- I think it was in the
8 \$60,000 range that they submitted -- the bills
9 that they submitted.

10 I think with the intent being that
11 you would have to make those upgrade to have
12 that facility be oper -- you know, be able to
13 operate for the hospitals, I don't think we
14 would get knocked for that if it ends up not,
15 you know, being the case that we don't have to
16 use it.

17 But I don't know that for sure. So
18 that's a question that I think we should
19 probably ask. It's a good question.

20 MR. MCANDREW: Thank you.

21 MR. GAUGHAN: Anyone else on the
22 question? Okay. All those in favor of
23 introduction signify by saying aye.

24 MR. SCHUSTER: Aye.

25 MR. MCANDREW: Aye.

1 MR. DONAHUE: Aye.

2 DR. ROTHCHILD: Aye.

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

5 MS. REED: 5-D. FOR INTRODUCTION -
6 A RESOLUTION - AUTHORIZING THE MAYOR AND
7 OTHER CITY OFFICIALS TO MAKE A SOLVENCY PAYMENT
8 TO THE COMMONWEALTH OF PENNSYLVANIA DEPARTMENT
9 OF LABOR AND INDUSTRY BUREAU OF UNEMPLOYMENT
10 COMPENSATION.

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

14 MR. DONAHUE: So moved.

15 MR. GAUGHAN: Is there a second?

16 MR. MCANDREW: Second.

17 MR. GAUGHAN: On the question? On
18 the question, Solicitor Hayes, there's a lot of
19 kind of legales in here. Would you be able to
20 provide an explanation maybe in layman's terms
21 of what this legislation is attempting to
22 accomplish?

23 ATTY. HAYES: This is a -- so with
24 regard to the workers' compensation -- or the
25 unemployment compensation?

1 MR. GAUGHAN: Yeah.

2 ATTY. HAYES: Okay. So for
3 employers that are under the Pennsylvania
4 unemployment compensation law governed by them,
5 they have to make contributions on behalf of
6 their employees. There's two methods to do
7 that. It's either a contributory method or a
8 reimbursable method. The City is a
9 reimbursable method.

10 And they reimburse the unemployment
11 compensation fund on a regular basis. So what
12 is provided -- the department of -- or the
13 Pennsylvania Unemployment Compensation Fund has
14 now begin processing the relief from charge
15 credits related to COVID-19 claims.

16 And then credits from the automatic
17 relief from charges for eligible claims,
18 they -- you get a credit for -- you get a
19 credit for making those contributions.

20 The amount that's set .00.18 that
21 are gross wages, that rate has been determined
22 by the City. So what they're asking here is
23 very standard just approval to make these
24 contributions to the Unemployment Compensation
25 Fund which they are required to do by law. So

1 there is nothing unique or special about what's
2 being requested.

3 MR. GAUGHAN: Okay. Thank you.
4 That makes sense. Anyone else on the question?

5 MR. SCHUSTER: Also, Mr. Hayes, so
6 that is the usual route that would be taken?

7 ATTY. HAYES: Yeah, they are just
8 setting the rate and asking authorization to do
9 this on a regular -- on a regular basis.

10 MR. SCHUSTER: And it always goes
11 through the Department of Labor and Industry?

12 ATTY. HAYES: Correct.

13 MR. SCHUSTER: Thanks.

14 MR. GAUGHAN: Any other questions?
15 Okay. All those in favor of introduction
16 signify by saying aye.

17 MR. SCHUSTER: Aye.

18 MR. MCANDREW: Aye.

19 MR. DONAHUE: Aye.

20 DR. ROTHCHILD: Aye.

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

23 MS. REED: SIXTH ORDER. 6-A.

24 READING BY TITLE - FILE OF THE COUNCIL NO. 34,
25 2020 - AN ORDINANCE - AMENDING FILE OF THE

1 COUNCIL NO. 95, 2015, AN ORDINANCE, ENTITLED
2 "AMENDING FILE OF THE COUNCIL NO. 79 OF
3 2015, AN ORDINANCE AMENDING FILE OF THE COUNCIL
4 NO. 145 OF 2007 ENTITLED 'AN ORDINANCE RENAMING
5 THE EMERGENCY AND MUNICIPAL SERVICES TAX
6 ("EMST") TO LOCAL SERVICE TAX ("LST")' AND BY
7 IMPOSING A WITHHOLDING OF \$52.00 FOR THE
8 CALENDAR YEAR 2015 AND THE SAME SHALL REMAIN IN
9 FULL FORCE AND EFFECT ANNUALLY THEREAFTER BY
10 INCREASING THE LOCAL SERVICES TAX WITHHOLDING
11 FROM \$52.00 TO \$156.00 FOR THE CALENDAR YEAR
12 2015, AND PROVIDING FOR AN EXEMPTION FROM
13 TAXATION FOR ANY PERSON WHOSE TOTAL EARNED
14 INCOME AND NET PROFITS FROM ALL SOURCES WITHIN
15 THE MUNICIPALITY IS LESS THAN \$15,600.00 FOR
16 THE CALENDAR YEAR 2015 UNDER AND PURSUANT TO
17 THE LOCAL TAX ENABLING ACT, ACT 511 OF
18 1965, P.L. 1257, 53 P.S. § 6924,101 ET. SEQ.
19 AND THE MUNICIPALITIES RECOVERY ACT, Act 47 OF
20 1987, P.L. 246,53 P.S. § 11701.101 ET. SEQ. AND
21 THEIR RESPECTIVE AMENDMENTS" EFFECTIVE
22 RETROACTIVE TO JANUARY 1, 2020. THIS TAX
23 ENABLES THE CITY OF SCRANTON TO CONTINUE TO
24 LEVY THE LOCAL SERVICES TAX AT THE FISCAL YEAR
25 2019 RATE FOR FISCAL YEAR 2020 FOR A TOTAL

1 MAXIMUM LOCAL SERVICES RATE OF ONE HUNDRED
2 FIFTY-SIX (\$156.00) DOLLARS FOR THE FISCAL YEAR
3 2020 EFFECTIVE RETROACTIVE TO JANUARY 1,
4 2020.

5 MR. GAUGHAN: You've heard reading
6 by title of Item 6-A. What is your pleasure?

7 MR. DONAHUE: I move that Item 6-A
8 pass reading by title.

9 MR. MCANDREW: Second.

10 MR. GAUGHAN: On the question? All
11 those in favor signify by saying aye.

12 MR. SCHUSTER: Aye.

13 MR. MCANDREW: Aye.

14 MR. DONAHUE: Aye.

15 DR. ROTHCHILD: Aye.

16 MR. GAUGHAN: Aye. Opposed? The
17 eyes have it and so moved.

18 MS. REED: 6-B. READING BY TITLE -
19 FILE OF THE COUNCIL NO. 35, 2020 - AN
20 ORDINANCE - APPROPRIATING FUNDS FOR THE
21 EXPENSES OF THE CITY GOVERNMENT FOR THE PERIOD
22 COMMENCING ON THE FIRST DAY OF JANUARY, 2021 TO
23 AND INCLUDING DECEMBER 31, 2021 BY THE
24 ADOPTION OF THE GENERAL CITY OPERATING BUDGET
25 FOR THE YEAR 2021.

1 MR. GAUGHAN: You've heard reading
2 by title of Item 6-B. What is your pleasure?

3 MR. MCANDREW: I move that 6-B pass
4 reading by title.

5 DR. ROTHCHILD: Second.

6 MR. GAUGHAN: On the question?

7 MR. SCHUSTER: On the question, I
8 move -- I'd like to make a motion to table Item
9 6-B.

10 MR. GAUGHAN: Oh, I think we'll --
11 we're going to do that after the -- after on
12 the question I think after everyone is done
13 talking about the budget or if anyone would
14 like to make comment on the budget. So are
15 there any comments on the budget before we make
16 a motion to table it?

17 MR. SCHUSTER: I think -- I mean,
18 the concerns and comments I've made, I've made
19 all along here. I think when we're looking at
20 the, you know, the creeping expenditure growth
21 of 3 percent, you know, coupled with the slower
22 moving revenue of 1 percent, I think, you know,
23 when we're looking at that I do think adding
24 some of these new positions now -- maybe with
25 some of the justifications we're given maybe we

1 could, you know, make government and City of
2 Scranton more efficient and maybe some of these
3 positions would be justified in helping with
4 that.

5 But, I mean, just an overall view
6 looking at that, I feel like it's adding a
7 million dollars into the next year's budget.
8 I'd much rather either phase that in or, you
9 know, look at what our revenues look like in
10 the following year to move forward after that
11 period.

12 MR. GAUGHAN: Okay. Thank you.
13 Anyone else on the question?

14 MR. MCANDREW: Yeah, my position
15 hasn't changed either. I'm not happy with
16 adding new positions that, you know, they're
17 going to total a million dollars. We need to
18 do -- and I know we need to restructure. I get
19 it. It's not that I'm against it. I
20 understand it, the necessity of it.

21 But now's not the year. And I know
22 they keep saying, well, what about next year?
23 I'm just not comfortable adding, you know, a
24 million dollars to the budget just for new
25 hires and increases. We already looking at a

1 4 million dollar shortfall. So I just think
2 maybe this year, you know, we do more with
3 less.

4 COVID was the biggest obstacle.
5 It's still here. It's not going away. So
6 maybe next year we revisit it. That's still my
7 position. I don't see myself changing it.
8 Thank you.

9 MR. GAUGHAN: Okay. Anyone else? I
10 have a couple comments. So first, last week I
11 did ask about the other salary. And the
12 Business Administrator did send an e-mail to me
13 yesterday regarding my questions. And I just
14 want to go through them very quickly.

15 The increase in the other salary for
16 fire department is predominantly severance pay,
17 a total of 11 fire department members are
18 eligible for retirement in 2021. So that
19 breaks down to acting pay \$120,000; education,
20 77,000; and remaining 313,000 is for severance
21 pay.

22 I also questioned there was other
23 salary that was expended in 2020 even though it
24 wasn't budgeted. Mr. Deeley had told me that
25 the 2020 payment in the LIPS Department was a

1 settlement issue in connection with a labor
2 matter filed by four employees. So those funds
3 had to be put in there when a settlement was
4 reached.

5 The \$20,000 currently showing in the
6 2021 budget will be removed as part of
7 amendments that the administration is putting
8 forward for their budget. I also asked about a
9 \$5,000 expenditure in the DPW budget and he was
10 going to look into that.

11 And then, of course, as we heard
12 tonight the administration is going to submit
13 additional information about changes that we
14 will need to make because there was additional
15 expenditures that weren't included in the
16 budget in terms of raises that we were
17 contractually obligated to pay out to the DPW.

18 And I believe there was a few
19 clerical employees that received raises. But
20 according to the administration's plan, they
21 were not to receive raises. So those things
22 have to be ironed out. And I think we'll
23 receive information on that this week.

24 One of the other things that came up
25 last week and tonight was about the use of the

1 Labor and Industry funds, the excess reserve
2 funds from the workers' compensation money,
3 using that and putting that in the
4 intergovernmental transfer line item.

5 And I think Business Administrator
6 Deeley agreed that he would need to find out
7 further information on if that is, in fact, a
8 correct representation -- would be a correct
9 representation in the budget. That's why I
10 asked the question.

11 I'm not really sure because the --
12 we're going from recognizing that as
13 restricted funds to unrestricted funds. And
14 technically, I believe that those funds are an
15 asset in the City. So should we put it in that
16 line item. That's an outstanding question.

17 Also, there was things that weren't
18 funded that I have questions -- still have
19 questions about, the Scranton Plan, Scranton
20 Tomorrow and I -- the Business Administrator
21 said that we'll hear further information or
22 he'll take it back to the Mayor.

23 One of the things we have to
24 remember with Scranton Tomorrow and I think we
25 should reach out Leslie Collins before we pass

1 this budget in the middle of December, is that
2 a few years ago there was a plan that was
3 developed by the National Resource Network.

4 And it was a multiyear process that
5 created a plan for the downtown which
6 eventually according to the plan would
7 transition downtown into a business improvement
8 district. So Scranton Tomorrow was charged
9 with instituting that plan and carrying out
10 that plan.

11 And I know we have a copy of the
12 plan in Council's office if anybody would like
13 to take a look at it. There was a lot of
14 thought and a lot of things that went into the
15 creation of that plan.

16 OECD has the entire City to create
17 projects that impact different neighborhoods,
18 low to moderate income areas. And I think
19 maybe one of the things that the administration
20 wants to do is to move the focus away from
21 Scranton Tomorrow and onto OECD.

22 But the way that the NRN plan was
23 set up really put the focus on Scranton
24 Tomorrow with the contribution coming from the
25 City and the University of Scranton.

1 So I know that the University of
2 Scranton's portion of that funding would still
3 be in the budget. But it looks like we would
4 be holding back our funding. I realize you
5 sometimes have to make tough decisions, but I
6 think we need to really investigate what the
7 impact of not providing that funding to
8 Scranton Tomorrow would be next year and then
9 weigh that information on whether or not we
10 want to continue down the route with the plan
11 that the administration has proposed.

12 One of the other items in there that
13 may be, you know, is only \$30,000 and maybe
14 seems insignificant was the funding for the
15 Everhart Museum. I think we should put that
16 back. \$30,000 in the context of a 110 to 15
17 million dollar really isn't -- it's a drop in
18 the bucket.

19 Every year that I've been on Council
20 the Everhart Museum has used that money. So I
21 think we should contact -- and, Mrs. Reed, if
22 you could contact the representatives or
23 whoever is in charge of the Everhart just to
24 see what they use that funding for.

25 I think that before -- I know that

1 the Mayor had stated that the Everhart Museum
2 didn't come to the administration with an ask.

3 But again, I think we need to know
4 what the impact would be if we didn't include
5 that funding. And the Everhart is an important
6 institution here in the City of Scranton.

7 The other, you know, I think I agree
8 with my colleagues on I think we have to weigh
9 each position -- there are new positions in the
10 budget. I think we have to look at each one
11 individually and determine whether or not we
12 feel after getting the information from the
13 administration whether or not those positions
14 would add value, would they add more
15 efficiency.

16 There are some that I think probably
17 would. And we have to weigh those decisions
18 and those positions over the next few weeks.
19 One of the things that came up last week that I
20 could say that I do not agree with and I think
21 needs more investigation is the changes that
22 are occurring in the Parks Department.

23 I took exception with what the Mayor
24 stated last week at our work session, which I
25 stated clearly during that work session which

1 is that, you know, if we don't follow the
2 changes in the Parks Department that the Mayor
3 is suggesting that, you know, I think her words
4 were do, you know, "Do you guys want to fix our
5 parks up or do you want to scrap the study?"
6 If you are serious about fixing the parks, you
7 know, or do we want to, you know, take that and
8 take the parks off of the priority list?

9 The parks have always been a
10 priority with me. I live across the street
11 from one that has been rehabbed with grant
12 money over the last few years. I just don't
13 believe that -- and again, we'll look at it
14 over the next few weeks.

15 But I don't believe in this specific
16 instance that adding another management
17 position to that department is going to help
18 the issues that may exist in this department.
19 The issues are there that there are not enough
20 employees. There's only seven employees.

21 McDade Park has 10 employees just
22 for -- the county has 10 employees just for
23 McDade Park. You could probably take all seven
24 of those employes in Parks and Recreation and
25 have them working full time up at Nay Aug Park.

1 You are spreading those employees
2 out over the City of Scranton which is 26, I
3 think, square miles and 30-some -- we have a
4 huge park system, cut the grass, weed whack.
5 And on top of that, they do other things as
6 well.

7 So I think before we add a
8 management position, we need to make sure that
9 the structure is in place because who are these
10 people going to manage if they are moving the
11 grounds keepers under the supervision of
12 highways in DPW?

13 I think the intention was maybe
14 noble. But I don't think after what I've seen
15 the last few years it makes a lot of sense.
16 And I think we should change that and maybe
17 look towards adding additional casual employees
18 and making sure that a program is in place next
19 year for college students and high school
20 students like they used to do in the time past
21 to work with City to cut grass and weed whack
22 and things like that to help the employees that
23 work there.

24 Because we know that adding
25 positions costs money obviously. That's what

1 we're discussing. So in a perfect world, we'd
2 have way more than seven employees in the Parks
3 Department. And if you look at other cities
4 across our state and our country, with our park
5 system, other cities have 20 to 30 employees.

6 And they get -- are able to get
7 things done. I don't think it's a problem with
8 the employees. I know many of them. I see the
9 work that they do at the park across the street
10 from my house. They do great work. It's the
11 fact that they're stretched way too thin.

12 So adding a management position
13 there when there's already a director, it
14 just -- I don't know that there would be enough
15 for them to manage. So I think we need to look
16 at that closely. And I don't agree with what's
17 being proposed there.

18 I've also had discussions with
19 Mr. Deeley who I have to say -- I said he was a
20 glutton for punishment earlier today. I do
21 appreciate, you know, the Business
22 Administrator and the Mayor continuing to show
23 up, answer the questions, have a dialogue with
24 Council even though we may disagree with some
25 things.

1 To me, that is called good
2 government. And I'm glad to see that that is
3 taking place that we can, you know, continue to
4 have those discussions because in the past, it
5 wasn't always that way. So I think, you know,
6 we need to continue to capitalize on this and
7 keep that -- keep those line of communications
8 open. I'm very pleased with the way that that
9 has worked out.

10 One of the things I did talk to the
11 Business Administrator with earlier today is,
12 for example, in the police department, it looks
13 as though there -- what they're proposing is to
14 create a new position, a deputy police chief in
15 the police department which I can understand.

16 I know Chief Graziano had
17 recommended that before he left. However, what
18 they're doing there by taking a patrolman off
19 the street to create that position, I don't
20 know that I agree with that. I think that
21 really has to be investigated further.

22 And then we did talk about that
23 would be a change I think to the Collective
24 Bargaining Agreement. Those things have not
25 been bargained yet. And we're going to do that

1 and then I just think we should have an
2 agreement in front of us before we go ahead and
3 make a change like that.

4 If they don't agree to it, I could
5 just foresee issues there. If you want to
6 create the position and you could find funding
7 for it without taking a patrolman off of the --
8 out of -- off of the street, I guess you could
9 say, I may look at that a little bit
10 differently.

11 One of the small things in there and
12 I talked to the Business Administrator about
13 this earlier today that it's very minute but it
14 just stuck out to me something that we should
15 look at is they're eliminating the water for
16 employees, the water service.

17 I just think that's overboard.
18 Right now there is no water fountains in City
19 Hall because of the coronavirus. Every place
20 that I've ever worked in my life, your employer
21 provided fresh drinking water for you when
22 you're working there. I don't think the
23 expense is that much that it's something that,
24 you know, you want to cut you're going to save
25 all of this money.

1 I think we should put that expense
2 back in, you know, you're asking these people
3 always to do more with less. And then you're
4 going to take away water from them in each
5 department. That does not make any sense to
6 me, especially during a pandemic when there is
7 no water source in City Hall according to the
8 Business Administrator.

9 So overall, I think we're going to
10 take all of the information that we received
11 tonight from PFM and from the Business
12 Administrator. We're going to take that into
13 account, all of the discussion that we've had
14 over the last few days. And we're going to
15 continue to consider this budget and any
16 changes that we might make. We are in a
17 minute, Councilman Schuster, will table this
18 budget.

19 And then we'll take comments from
20 the public next week which I think is a very
21 important component of this overall process.
22 So hopefully we'll hear from people next week
23 on what their thoughts are on this budget. And
24 then we'll hopefully bring it back either on
25 December 8th or the 15th for final passage.

1 And in the meantime, if anyone has
2 any amendments to start thinking about what
3 things you might want to change and we'll have
4 to come to some sort of agreement there and
5 offer up those amendments in the middle of
6 December.

7 And we can talk about that process
8 and the way that we've done it in the past over
9 the next few weeks. But those are my comments
10 on the budget.

11 The last thing I want to say too is,
12 you know, I really want to avoid -- and I was a
13 little bit more relieved tonight after seeing
14 the second scenario that was presented by PFM
15 because we could hopefully avoid using those
16 funds that were earmarked or designated for the
17 Other Post Employment Benefit Trust Fund.

18 As you heard from the Pennsylvania
19 Economy League and I think from PFM, there are
20 major benefits of funding that OPEB Trust Fund.
21 So to blow through that if we had to next year,
22 you're losing that benefit. You don't get --
23 we're not getting that back.

24 So if there is a way that we could
25 avoid that, I really think that we should.

1 There are some other minor things that I
2 continue to look at in the budget. But
3 overall, we'll take -- I'll take everything
4 into consideration and we'll continue to move
5 forward. Anyone else on the question?

6 DR. ROTHCHILD: Yes. I just had a
7 couple quick comments. First off, I am
8 interested in getting some more answers with
9 regards to the Nay Aug pool repair because that
10 is something I think is very important for us
11 to take a look at and to see if that needs to
12 be a part of the budget.

13 You know, I know that that pool is
14 in desperate need and that's utilized by a lot
15 of people in the community. The other thing I
16 just think the biggest sticking point for
17 Council with this budget is going to be the
18 addition of new jobs, the changes in
19 departments and then, like, the increases to
20 pay.

21 And I agree that we need to look at
22 each position individually. I do appreciate us
23 receiving the job descriptions I believe last
24 week. So I did have a chance to take a look
25 through those. But I would like to definitely

1 discuss that more in-depth with my fellow
2 Council members.

3 And I'm wondering -- I don't know --
4 I don't believe we have any other work sessions
5 scheduled. Is that something that we would be
6 able to add so that we can really dive deeper
7 into the those changes and into those
8 positions?

9 MR. GAUGHAN: Yeah, I think -- I
10 think probably what would make the most sense
11 is, you know, over the next few days if anyone
12 has any additional questions outside of what's
13 already been answered, maybe we can compile
14 those questions or those concerns into some
15 kind of document and then present it to the
16 administration and then we could have a work
17 session targeted towards those additional
18 questions or those additional areas because I
19 think with the second work session we had, we
20 kind of went through the budget as a whole.

21 And now maybe if we can put our
22 questions -- any additional questions or
23 thoughts down, give them to the administration
24 in advance and then be able -- if they are
25 agreeable to that which I -- based on, you

1 know, how open they've been so far, I think
2 they would be to have them maybe come back
3 within the next two or three weeks before final
4 passage. Yeah, I think that's a good idea.

5 DR. ROTHCHILD: I feel like that
6 would be a better way to go rather than us,
7 you know, just throwing amendments left
8 and -- left and right.

9 MR. GAUGHAN: Yeah, no, actually
10 with the amendments so the -- what I've always
11 believed too is if we are going to offer up
12 like we did last year, we proposed several
13 amendments to the budget. We would communicate
14 those with the administration.

15 Now, maybe we make some amendments
16 that they don't agree with and that's fine.
17 They will obviously tell us that and
18 communicate that to us. But I do think that we
19 should run it by the Business Administrator and
20 the Mayor to say, look, here's what we're
21 thinking and then go from there whether or not
22 we're going to introduce those at some point.
23 But I agree with you. I'm sorry, did you have
24 anything else, Dr. Rothchild?

25 DR. ROTHCHILD: No, that was all I

1 had. Thank you.

2 MR. GAUGHAN: Anyone else on the
3 question for the budget? All right. Great.
4 All those in favor signify by saying aye.

5 MR. SCHUSTER: Aye.

6 MR. MCANDREW: Aye.

7 MR. DONAHUE: Aye.

8 DR. ROTHCHILD: Aye.

9 MR. GAUGHAN: Aye. Opposed? The
10 ayes have it and so moved. And now, Councilman
11 Schuster, you're up.

12 MR. SCHUSTER: I'd like to make a
13 motion to table Item 6-B.

14 MR. DONAHUE: Second.

15 MR. GAUGHAN: There's a motion on
16 the floor and a second to table Item 6-B, the
17 City's 2021 operating budget. This piece of
18 legislation is being tabled until a public
19 hearing is held which has been scheduled for
20 Tuesday, December 1st, 2020, at 5:45 p.m. On
21 the question? All those in favor signify by
22 saying aye.

23 MR. SCHUSTER: Aye.

24 MR. MCANDREW: Aye.

25 MR. DONAHUE: Aye.

1 DR. ROTHCHILD: Aye.

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

4 MS. REED: 6-C. READING BY TITLE -
5 FILE OF THE COUNCIL NO. 36, 2020 - AN
6 ORDINANCE - AMENDING FILE OF THE COUNCIL NO. 6,
7 2020, AMENDING FILE OF THE COUNCIL NO. 59, 2019
8 ENTITLED "AN ORDINANCE AMENDING FILE OF THE
9 COUNCIL NO. 17, 1994 ENTITLED 'AN ORDINANCE (AS
10 AMENDED) AUTHORIZING THE GOVERNING BODY OF THE
11 CITY OF SCRANTON TO ENACT 'A WASTE DISPOSAL AND
12 COLLECTION FEE' FOR THE PURPOSE OF RAISING
13 REVENUE TO COVER THE WASTE DISPOSAL AND
14 COLLECTION COSTS INCURRED BY THE CITY OF
15 SCRANTON FOR THE DISPOSAL OF REFUSE'" BY
16 IMPOSING A WASTE DISPOSAL AND COLLECTION FEE OF
17 \$300.00 FOR CALENDAR YEAR 2021 AND THE SAME
18 SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY
19 THEREAFTER AND TO AMEND THE TIMELINE FOR
20 PAYMENTS ALLOWING CHANGE IN THE MECHANISM OF
21 BILLING, UPDATE THE REQUIREMENTS FOR
22 EXONERATIONS AND INCREASE PENALTIES FOR
23 VIOLATIONS.

24 MR. GAUGHAN: You've heard reading
25 by title of Item 6-C. What is your pleasure?

1 DR. ROTHCHILD: I move to pass Item
2 6-C by title -- reading by title.

3 MR. MCANDREW: Second.

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

6 MR. SCHUSTER: Aye.

7 MR. MCANDREW: Aye.

8 MR. DONAHUE: Aye.

9 DR. ROTHCHILD: Aye.

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

12 MS. REED: SEVENTH ORDER. 7-A. FOR
13 CONSIDERATION BY THE COMMITTEE ON FINANCE - FOR
14 ADOPTION - FILE OF THE COUNCIL NO. 33, 2020 -
15 AUTHORIZING THE ISSUANCE OF A TAX AND REVENUE
16 ANTICIPATION NOTE, SERIES OF 2021 IN THE
17 PRINCIPAL AMOUNT NOT TO EXCEED \$12,200,000;
18 PROVIDING FOR THE DATED DATE, INTEREST RATE,
19 MATURITY DATE, REDEMPTION PROVISIONS, PAYMENT
20 AND PLACE OF PAYMENT IN RESPECT OF THE
21 NOTE; ACCEPTING THE PROPOSAL ATTACHED HERETO AS
22 EXHIBIT "B" FROM THE FINANCIAL INSTITUTION
23 NAMED THEREIN FOR THE PURCHASE OF THE NOTE;
24 NAMING A SINKING FUND DEPOSITARY/PAYING AGENT;
25 AUTHORIZING THE PROPER OFFICERS OF THE CITY TO

1 EXECUTE AND DELIVER THE NOTE AND CERTAIN OTHER
2 DOCUMENTS AND CERTIFICATES IN CONNECTION
3 THEREWITH; AUTHORIZING AND DIRECTING THE
4 PREPARATION, CERTIFICATION AND FILING OF THE
5 NECESSARY DOCUMENTS WITH THE DEPARTMENT OF
6 COMMUNITY AND ECONOMIC DEVELOPMENT OF THE
7 COMMONWEALTH OF PENNSYLVANIA; SETTING FORTH
8 A FORM OF THE NOTE.

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

12 MR. SCHUSTER: I lost my place there
13 for a second. As Chairperson for the Committee
14 on Finance, I recommend final passage of 7-A.

15 MR. DONAHUE: Second.

16 MR. GAUGHAN: There's been a second.
17 On the question?

18 MR. SCHUSTER: On the question,
19 Mr. Hayes, last week I asked about whether this
20 transaction was comparable with other
21 transactions of this nature. With some of the
22 information that we got tonight, do we still
23 feel that's -- what would your opinion be on
24 that at this point?

25 ATTY. HAYES: Well, Councilman, it's

1 certainly comparable with the prior TANs that
2 have been issued by City of Scranton. So, you
3 know, the TANs that I have been involved in did
4 not necessarily have this amount of fees.
5 However, the ones I was involved in were not as
6 large.

7 You know, this is as Councilman
8 Deeley -- or as Business Administrator Deeley
9 indicated, this just seemed to be a carryover
10 from past practices from prior administrations.
11 And that's what they did in this instance too.
12 Obviously, Council is not consulted about that
13 process.

14 But I think that's, you know, as
15 good of an explanation as we are going to get
16 is what was provided earlier today. I had
17 reached out to the Law Department earlier last
18 week about that. I did not receive a response.

19 MR. SCHUSTER: Do you think it would
20 be a good idea to table it until we have a
21 complete explanation?

22 ATTY. HAYES: Well, I think that's
23 up to Council. The explanation that we have I
24 think is that bond counsel has been on standby
25 or they have this bond counsel they've used for

1 the last probably four or five years. They use
2 this bond counsel every year. And they pay
3 them the same amount of -- the same fee every
4 year regardless of what work is involved.

5 And they seem to have the same fees
6 every year. I don't know if there is any harm
7 in tabling it to be honest with you in terms of
8 the rate.

9 But if you want further
10 clarification, I could each reach out. Here's
11 the long and short of it. I don't think there
12 is anything we can do at this point in time in
13 terms of I think they made this commitment to
14 this bond counsel to pay him this amount.

15 I don't know how that is
16 memorialized. I'm sure he's already expended
17 for the, you know, the work in furtherance of
18 that fee. Going forward if there is something
19 that Council wants to change with that process
20 I guess we could address that later.

21 MR. SCHUSTER: Well, I think I'd
22 like to make a motion to table this until we
23 have a complete explanation.

24 MR. MCANDREW: I'll second it.

25 MR. GAUGHAN: There's been a motion

1 and it's been seconded. On the question?

2 MR. DONAHUE: On the question,
3 what's been the change in the rate between two
4 weeks ago? Does anyone have that readily
5 available?

6 MR. GAUGHAN: You mean the interest
7 rate?

8 MR. DONAHUE: Yeah, because I know
9 that it was specific towards to when we
10 actually pass this resolution to lock in that
11 rate.

12 MR. SCHUSTER: Yeah, I think it was
13 my understanding as of tonight that the rate
14 had been locked in.

15 ATTY. HAYES: It's at 1.209; is that
16 correct?

17 MR. GAUGHAN: I think that's right
18 now that's what it is. I don't know if we
19 table it --

20 MR. DONAHUE: Yeah, that's -- that
21 was a part of your question the first time --
22 or the first week, Kevin, was locking it in and
23 how there was a variable rate in our first --
24 in the first resolution we introduced.

25 ATTY. HAYES: Right.

1 MR. DONAHUE: And they did that just
2 to give a, you know, just an idea of what the
3 rate would fall under but that the rate would
4 be incumbent on when we -- when we passed our
5 final, you know, resolution.

6 MR. GAUGHAN: I understand the
7 concern here. But I just don't agree with
8 tabling it because we're not going to get any
9 other explanation than what was already given
10 unfortunately -- fortunately or unfortunately.
11 That's just, you know, the explanation was
12 given from Melissa Hughes from PMF and from
13 Carl Deeley the Business Administrator.

14 You know, tabling it is not going to
15 change what again, you can't put toothpaste
16 back in a tube. It's not going to change. We
17 need the TAN. And I would be concerned that,
18 you know, we would lose out on the interest
19 rate. It's lower than what was even proposed
20 last week.

21 So I'm not -- I understand the
22 reason for the motion. But I'm not going to
23 vote to -- I'm not going to vote for the
24 motion.

25 MR. MCANDREW: All right. So how

1 about this? So, you know, a lot of toothpaste
2 flying around here, Billy, so just because it
3 was past practice doesn't make it best
4 practice. All right. So obviously, you know,
5 Solicitor Hayes, you said it's probably too
6 late to do anything.

7 But it's not too late to do anything
8 for next time. So let's, you know, let's
9 change that practice next time. Obviously it's
10 too late to do that. But, you know, I'm not
11 always a big fan of past practice. That
12 doesn't always justify best practice.

13 ATTY. HAYES: Right. So what I
14 think, you know, what I could do is try to get
15 a full explanation as to how they arrived at
16 that number of 20,000.

17 MR. MCANDREW: They already told us.
18 I think we just don't table it. I'm okay with
19 that now. I'm just saying moving forward, you
20 know, let's change that practice. All right?

21 MR. GAUGHAN: Okay.

22 MR. MCANDREW: Sorry to interrupt
23 you but --

24 MR. GAUGHAN: No, it's okay.
25 Anything else on the --

1 DR. ROTHCHILD: Yeah, and if we have
2 the rate locked in and, yeah, it is lower, I
3 did take a look at the e-mail we received from
4 Mr. Deeley where it's 1.201, which is
5 originally it was 1.209. So it's a difference
6 of .008. But, you know, they were here to
7 answer our questions, which they did.

8 So I don't have any further
9 questions for them at this time. I mean, I do
10 wish that we had a say in the bond counsel
11 decision. Perhaps if there's legislation that
12 we can consider to change that for in the
13 future, then I think that would be appropriate.
14 But at this time, I'm not in favor of tabling
15 it.

16 MR. GAUGHAN: Anybody else on the
17 question? Okay. All those in favor of the
18 motion to table signify by saying aye.

19 MR. SCHUSTER: Aye.

20 MR. GAUGHAN: Opposed? No.

21 MR. DONAHUE: Nay.

22 DR. ROTHCHILD: No.

23 MR. GAUGHAN: And, I'm sorry, Mark,
24 did you vote?

25 MR. MCANDREW: Yes, to table just

1 for the support.

2 MR. GAUGHAN: Okay. So the motion
3 dies 3 to 2. Okay. And we're back on the
4 question. Anyone else on the question for 7-A?
5 Just on the question, I don't know that, Kevin,
6 maybe you could answer this; but I don't know
7 that Council, would we have any say in what
8 gets negotiated in terms of fees or whether an
9 RFQ goes out for bond counsel or that would be
10 a function of the administration. I mean, we
11 can give our opinion on it. But do we have a
12 say on that?

13 ATTY. HAVES: Well, for professional
14 services, the Administrative Code provides that
15 any professional services that are anticipated
16 to be over \$21,000 a year have to be put out
17 for bid.

18 So obviously, this was tailored to
19 fall just below that. We can -- our recourse
20 is we could ask, you know, the past practice of
21 this administration at least has been to put
22 out RFPs. You know, they did it for, you know,
23 obviously for labor. They did it for the
24 appeal.

25 But in those situations they were

1 over \$21,000. So and maybe they could provide
2 us with a more detailed explanation as to why
3 there is, you know, some \$44,000 worth of
4 closing costs and closings fees that are baked
5 into this deal.

6 But our only recourse is to vote up
7 and down on the TAN really. That's our only
8 resource.

9 MR. GAUGHAN: Okay. All right.

10 MR. SCHUSTER: And, I mean, looking
11 at this, I mean, other deals can be done
12 through the bank, correct, Kevin?

13 ATTY. HAYES: Right. Um hum. So
14 the takeaway here is the bank -- the
15 administration for whatever reason had decided
16 to hire their own bond counsel outside of the
17 Law Department to perform services in
18 connection with this transaction.

19 I'm not aware of any requirement for
20 them to do that for the -- it wasn't the bank
21 that demanded it. They wanted to do it. And
22 it's based on from what Carl Deeley said, it's
23 based on past practice to use this law firm, to
24 pay them this fee for no matter how much work
25 is involved on an annual basis.

1 MR. SCHUSTER: Yeah, and I guess the
2 other takeaway is that it's not a bond. It's a
3 loan.

4 ATTY. HAYES: It's a note. Right.

5 MR. GAUGHAN: Okay. Anyone else on
6 the question? Roll call, please.

7 MS. CARRERA: Mr. Schuster.

8 MR. SCHUSTER: No.

9 MS. CARRERA: Mr. McAndrew.

10 MR. MCANDREW: Yes.

11 MS. CARRERA: Dr. Rothchild.

12 DR. ROTHCHILD: Yes.

13 MS. CARRERA: Mr. Donahue.

14 MR. DONAHUE: Yes.

15 MS. CARRERA: Mr. Gaughan.

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

18 MS. REED: 7-B. FOR CONSIDERATION
19 BY THE COMMITTEE ON COMMUNITY DEVELOPMENT -
20 FOR ADOPTION - RESOLUTION NO. 90, 2020 -
21 RATIFYING AND APPROVING OF THE EXECUTION AND
22 SUBMISSION OF THE GRANT APPLICATION BY THE CITY
23 OF SCRANTON, ON BEHALF OF THE BLACK
24 SCRANTON PROJECT TO THE COMMONWEALTH OF
25 PENNSYLVANIA ACTING THROUGH THE COMMONWEALTH

1 FINANCING AUTHORITY FOR A LOCAL SHARE
2 ACCOUNT GRANT, PURSUANT TO THE PA RACE HORSE
3 DEVELOPMENT AND GAMING ACT IN THE AMOUNT OF
4 \$135,893.00 FOR THE PROJECT TO BE KNOWN AS
5 "BLACK SCRANTON PROJECT CENTER FOR ARTS &
6 CULTURE" LOCATED AT 1902 NORTH MAIN AVENUE,
7 SCRANTON, PENNSYLVANIA, AND AUTHORIZING THE
8 MAYOR AND OTHER APPROPRIATE CITY OFFICIALS OF
9 THE CITY OF SCRANTON, PA, TO ACCEPT THE GRANT,
10 IF SUCCESSFUL, AND EXECUTE AND ENTER INTO A
11 LOCAL SHARE ACCOUNT GRANT CONTRACT AND
12 COMMITMENT LETTER WITH THE COMMONWEALTH OF
13 PENNSYLVANIA TO ACCEPT AND UTILIZE THE GRANT IN
14 THE AMOUNT OF \$135,893.00 AWARDED BY THE
15 COMMONWEALTH OF PENNSYLVANIA FOR SUCH PROJECT.

16 MR. GAUGHAN: What is the
17 recommendation of the Chairperson for the
18 Committee on Community Development?

19 DR. ROTHCHILD: As Chair for the
20 Committee on Community Development, I recommend
21 final passage of Item 7-B.

22 MR. DONAHUE: Second.

23 MR. GAUGHAN: On the question?

24 DR. ROTHCHILD: Yes, on the
25 question, I know I mentioned in previous

1 meetings I just want to emphasize again how
2 important I feel that the work is that the
3 Black Scranton Project has been doing and I
4 really hope that they are successful in
5 receiving this grant.

6 MR. GAUGHAN: Okay. Thank you.
7 Anyone else? Roll call, please.

8 MS. CARRERA: Mr. Schuster.

9 MR SCHUSTER: Yes.

10 MS. CARRERA: Mr. McAndrew.

11 MR. MCANDREW: Yes.

12 MS. CARRERA: Dr. Rothchild.

13 DR. ROTHCHILD: Yes.

14 MS. CARRERA: Mr. Donahue.

15 MR. DONAHUE: Yes.

16 MS. CARRERA: Mr. Gaughan.

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

19 MS. REED: 7-C. FOR CONSIDERATION
20 BY THE COMMITTEE ON COMMUNITY DEVELOPMENT -
21 FOR ADOPTION - RESOLUTION NO. 91, 2020 -
22 RATIFYING AND APPROVING OF THE EXECUTION AND
23 SUBMISSION OF THE GRANT APPLICATION BY THE CITY
24 OF SCRANTON, ON BEHALF OF GREEN RIDGE
25 LITTLE LEAGUE TO THE COMMONWEALTH OF

1 PENNSYLVANIA ACTING THROUGH THE COMMONWEALTH
2 FINANCING AUTHORITY FOR A LOCAL SHARE
3 ACCOUNT GRANT, PURSUANT TO THE PA RACE HORSE
4 DEVELOPMENT AND GAMING ACT IN THE AMOUNT OF
5 \$121,220.00 FOR THE PROJECT TO BE KNOWN AS
6 "FIELD SAFETY RENOVATION" LOCATED 2630 OLYPHANT
7 AVENUE, SCRANTON, PENNSYLVANIA, AND AUTHORIZING
8 THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS
9 OF THE CITY OF SCRANTON, PA, TO ACCEPT THE
10 GRANT, IF SUCCESSFUL, AND EXECUTE AND ENTER
11 INTO A LOCAL SHARE ACCOUNT GRANT CONTRACT AND
12 COMMITMENT LETTER WITH THE COMMONWEALTH OF
13 PENNSYLVANIA TO ACCEPT AND UTILIZE THE
14 GRANT IN THE AMOUNT OF \$121,220.00 AWARDED BY
15 THE COMMONWEALTH OF PENNSYLVANIA FOR SUCH
16 PROJECT.

17 MR. GAUGHAN: What is the
18 recommendation of the Chairperson for the
19 Committee on Community Development?

20 DR. ROTHCHILD: As Chair for the
21 Committee on Community Development, I recommend
22 final passage of Item 7-C.

23 MR. DONAHUE: Second.

24 MR. GAUGHAN: On the question? Roll
25 call, please.

1 MS. CARRERA: Mr. Schuster.

2 MR. SCHUSTER: Yes.

3 MS. CARRERA: Mr. McAndrew.

4 MR. MCANDREW: Yes.

5 MS. CARRERA: Dr. Rothchild.

6 DR. ROTHCHILD: Yes.

7 MS. CARRERA: Mr. Donahue.

8 MR. DONAHUE: Yes.

9 MS. CARRERA: Mr. Gaughan.

10 MR. GAUGHAN: Yes. I hereby declare
11 Item 7-C legally and lawfully adopted.

12 MS. REED: 7-D. FOR CONSIDERATION
13 BY THE COMMITTEE ON COMMUNITY DEVELOPMENT -
14 FOR ADOPTION - RESOLUTION NO. 92, 2020 -
15 RATIFYING AND APPROVING OF THE EXECUTION AND
16 SUBMISSION OF THE GRANT APPLICATION BY THE CITY
17 OF SCRANTON, ON BEHALF OF JOHNSON
18 COLLEGE TO THE COMMONWEALTH OF PENNSYLVANIA
19 ACTING THROUGH THE COMMONWEALTH FINANCING
20 AUTHORITY FOR A LOCAL SHARE ACCOUNT
21 GRANT, PURSUANT TO THE PA RACE HORSE
22 DEVELOPMENT AND GAMING ACT IN THE AMOUNT OF
23 \$158,918.00 FOR THE PROJECT TO BE KNOWN AS
24 "STORM WATER DRAINAGE PROJECT" LOCATED AT 3427
25 N. MAIN AVENUE, SCRANTON, PENNSYLVANIA, AND

1 AUTHORIZING THE MAYOR AND OTHER
2 APPROPRIATE CITY OFFICIALS OF THE CITY OF
3 SCRANTON, PA, TO ACCEPT THE GRANT, IF
4 SUCCESSFUL, AND EXECUTE AND ENTER INTO A
5 LOCAL SHARE ACCOUNT GRANT CONTRACT AND
6 COMMITMENT LETTER WITH THE COMMONWEALTH OF
7 PENNSYLVANIA TO ACCEPT AND UTILIZE THE
8 GRANT IN THE AMOUNT OF \$158,918.00 AWARDED BY
9 THE COMMONWEALTH OF PENNSYLVANIA FOR SUCH
10 PROJECT.

11 MR. GAUGHAN: What is the
12 recommendation of the Chairperson for the
13 Committee on Community Development?

14 DR. ROTHCHILD: As Chair for the
15 Committee on Community Development, I recommend
16 final passage of Item 7-D.

17 MR. DONAHUE: Second.

18 MR. GAUGHAN: On the question? Roll
19 call, please.

20 MS. CARRERA: Mr. Schuster.

21 MR. SCHUSTER: Yes.

22 MS. CARRERA: Mr. McAndrew.

23 MR. MCANDREW: Yes.

24 MS. CARRERA: Dr. Rothchild.

25 DR. ROTHCHILD: Yes.

1 MS. CARRERA: Mr. Donahue.

2 MR. DONAHUE: Yes.

3 MS. CARRERA: Mr. Gaughan.

4 MR. GAUGHAN: Yes. I hereby declare
5 Item 7-D legally and lawfully adopted.

6 MS. REED: 7-E. FOR CONSIDERATION
7 BY THE COMMITTEE ON COMMUNITY DEVELOPMENT -
8 FOR ADOPTION - RESOLUTION NO. 93, 2020 -
9 RATIFYING AND APPROVING OF THE EXECUTION AND
10 SUBMISSION OF THE GRANT APPLICATION BY THE CITY
11 OF SCRANTON, ON BEHALF OF LACE BUILDING
12 AFFILIATES, LP TO THE COMMONWEALTH OF
13 PENNSYLVANIA ACTING THROUGH THE COMMONWEALTH
14 FINANCING AUTHORITY FOR A LOCAL SHARE
15 ACCOUNT GRANT, PURSUANT TO THE PA RACE HORSE
16 DEVELOPMENT AND GAMING ACT IN THE AMOUNT OF
17 \$275,000.00 FOR THE PROJECT TO BE KNOWN AS
18 "SCRANTON LACE ADAPTIVE USE PROJECT" LOCATED
19 1315 MEYLERT AVENUE, SCRANTON, PENNSYLVANIA,
20 AND AUTHORIZING THE MAYOR AND OTHER APPROPRIATE
21 CITY OFFICIALS OF THE CITY OF SCRANTON,
22 PENNSYLVANIA, TO ACCEPT THE GRANT, IF
23 SUCCESSFUL, AND EXECUTE AND ENTER INTO A LOCAL
24 SHARE ACCOUNT GRANT CONTRACT AND COMMITMENT
25 LETTER WITH THE COMMONWEALTH OF PENNSYLVANIA TO

1 ACCEPT AND UTILIZE THE GRANT IN THE AMOUNT OF
2 \$275,000.00 AWARDED BY THE COMMONWEALTH OF
3 PENNSYLVANIA FOR SUCH PROJECT.

4 MR. GAUGHAN: What is the
5 recommendation of the Chairperson for the
6 Committee on Community Development?

7 DR. ROTHCHILD: As Chair for the
8 Committee on Community Development, I recommend
9 final passage of Item 7-E.

10 MR. DONAHUE: Second.

11 MR. SCHUSTER: Second.

12 MR. GAUGHAN: On the question?

13 Roll call, please, Kathy.

14 MS. CARRERA: Mr. Schuster.

15 MR. SCHUSTER: Yes.

16 MS. CARRERA: Mr. McAndrew.

17 MR. MCANDREW: Yes.

18 MS. CARRERA: Dr. Rothchild.

19 DR. ROTHCHILD: Yes.

20 MS. CARRERA: Mr. Donahue.

21 MR. DONAHUE: Yes.

22 MS. CARRERA: Mr. Gaughan.

23 MR. GAUGHAN: Yes. I hereby declare
24 Item 7-E legally and lawfully adopted.

25 MS. REED: 7-F. FOR CONSIDERATION

1 BY THE COMMITTEE ON COMMUNITY DEVELOPMENT -
2 FOR ADOPTION - RESOLUTION NO. 94, 2020 -
3 RATIFYING AND APPROVING OF THE EXECUTION AND
4 SUBMISSION OF THE GRANT APPLICATION BY THE CITY
5 OF SCRANTON, ON BEHALF OF NEIGHBORWORKS
6 OF NEPA TO THE COMMONWEALTH OF PENNSYLVANIA
7 ACTING THROUGH THE COMMONWEALTH FINANCING
8 AUTHORITY FOR A LOCAL SHARE ACCOUNT
9 GRANT, PURSUANT TO THE PA RACE HORSE
10 DEVELOPMENT AND GAMING ACT IN THE AMOUNT OF
11 \$70,000.00 FOR THE PROJECT TO BE KNOWN AS
12 "WEST SCRANTON BUSINESS CORRIDOR IMPROVEMENT
13 PLAN" LOCATED AT 800 BLOCK OF NORTH MAIN
14 AVENUE, SCRANTON, PENNSYLVANIA, AND
15 AUTHORIZING THE MAYOR AND OTHER APPROPRIATE
16 CITY OFFICIALS OF THE CITY OF SCRANTON,
17 PENNSYLVANIA, TO ACCEPT THE GRANT, IF
18 SUCCESSFUL, AND EXECUTE AND ENTER INTO A LOCAL
19 SHARE ACCOUNT GRANT CONTRACT AND COMMITMENT
20 LETTER WITH THE COMMONWEALTH OF PENNSYLVANIA TO
21 ACCEPT AND UTILIZE THE GRANT IN THE AMOUNT OF
22 \$70,000.00 AWARDED BY THE COMMONWEALTH OF
23 PENNSYLVANIA FOR SUCH PROJECT.

24 MR. GAUGHAN: What is the
25 recommendation of the Chairperson for the

1 Committee on Community Development?

2 DR. ROTHCHILD: As Chair for the
3 Committee on Community Development, I recommend
4 final passage of Item 7-F.

5 MR. SCHUSTER: Second.

6 MR. DONAHUE: Second.

7 MR. GAUGHAN: On the question? Roll
8 call, please.

9 MS. CARRERA: Mr. Schuster.

10 MR. SCHUSTER: Yes.

11 MS. CARRERA: Mr. McAndrew.

12 MR. MCANDREW: Yes.

13 MS. CARRERA: Dr. Rothchild.

14 DR. ROTHCHILD: Yes.

15 MS. CARRERA: Mr. Donahue.

16 MR. DONAHUE: Yes.

17 MS. CARRERA: Mr. Gaughan.

18 MR. GAUGHAN: Yes. I hereby declare
19 Item 7-F legally and lawfully adopted.

20 MS. REED: 7-G. FOR CONSIDERATION
21 BY THE COMMITTEE ON COMMUNITY DEVELOPMENT -
22 FOR ADOPTION - RESOLUTION NO. 95, 2020 -
23 RATIFYING AND APPROVING OF THE EXECUTION AND
24 SUBMISSION OF THE GRANT APPLICATION BY THE CITY
25 OF SCRANTON, ON BEHALF OF SCRANTON LIFE

1 REALTY CO. INC. TO THE COMMONWEALTH OF
2 PENNSYLVANIA ACTING THROUGH THE COMMONWEALTH
3 FINANCING AUTHORITY FOR A LOCAL SHARE
4 ACCOUNT GRANT, PURSUANT TO THE PA RACE HORSE
5 DEVELOPMENT AND GAMING ACT IN THE AMOUNT OF
6 \$262,000.00 FOR THE PROJECT TO BE
7 KNOWN AS "SPRUCE STREET HISTORIC RENOVATION"
8 LOCATED AT 536 SPRUCE STREET, SCRANTON,
9 PENNSYLVANIA, AND AUTHORIZING THE MAYOR AND
10 OTHER APPROPRIATE CITY OFFICIALS OF THE CITY OF
11 SCRANTON, PA, TO ACCEPT THE GRANT, IF
12 SUCCESSFUL, AND EXECUTE AND ENTER INTO A LOCAL
13 SHARE ACCOUNT GRANT CONTRACT AND COMMITMENT
14 LETTER WITH THE COMMONWEALTH OF PENNSYLVANIA TO
15 ACCEPT AND UTILIZE THE GRANT IN THE AMOUNT OF
16 \$262,000.00 AWARDED BY THE COMMONWEALTH OF
17 PENNSYLVANIA FOR SUCH PROJECT.

18 MR. GAUGHAN: What is the
19 recommendation of the Chairperson for the
20 Committee on Community Development?

21 DR. ROTHCHILD: As Chair for the
22 Committee on Community Development, I recommend
23 final passage of Item 7-G.

24 MR. DONAHUE: Second.

25 MR. GAUGHAN: On the question? Roll

1 call, please.

2 MS. CARRERA: Mr. Schuster.

3 MR. SCHUSTER: Yes.

4 MS. CARRERA: Mr. McAndrew.

5 MR. MCANDREW: Yes.

6 MS. CARRERA: Dr. Rothchild.

7 DR. ROTHCHILD: Yes.

8 MS. CARRERA: Mr. Donahue.

9 MR. DONAHUE: Yes.

10 MS. CARRERA: Mr. Gaughan.

11 MR. GAUGHAN: Yes. I hereby declare
12 Item 7-G legally and lawfully adopted.

13 MS. REED: 7-H. FOR CONSIDERATION
14 BY THE COMMITTEE ON COMMUNITY DEVELOPMENT -
15 FOR ADOPTION - RESOLUTION NO. 96, 2020 -
16 RATIFYING AND APPROVING OF THE EXECUTION AND
17 SUBMISSION OF THE GRANT APPLICATION BY THE CITY
18 OF SCRANTON, ON BEHALF OF TRIPP PARK
19 MISSY E LEAGUE TO THE COMMONWEALTH OF
20 PENNSYLVANIA ACTING THROUGH THE COMMONWEALTH
21 FINANCING AUTHORITY FOR A LOCAL SHARE
22 ACCOUNT GRANT, PURSUANT TO THE PA RACE HORSE
23 DEVELOPMENT AND GAMING ACT IN THE AMOUNT OF
24 \$19,950.00 FOR THE PROJECT TO BE
25 KNOWN AS "TRIPP PARK MISSY E LEAGUE FIELD

1 RENOVATIONS" LOCATED AT 2000 DOROTHY STREET,
2 SCRANTON, PENNSYLVANIA, AND AUTHORIZING
3 THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS
4 OF THE CITY OF SCRANTON, PENNSYLVANIA, TO
5 ACCEPT THE GRANT, IF SUCCESSFUL, AND
6 EXECUTE AND ENTER INTO A LOCAL SHARE ACCOUNT
7 GRANT CONTRACT AND COMMITMENT LETTER WITH THE
8 COMMONWEALTH OF PENNSYLVANIA TO ACCEPT AND
9 UTILIZE THE GRANT IN THE AMOUNT OF \$19,950.00
10 AWARDED BY THE COMMONWEALTH OF PENNSYLVANIA FOR
11 SUCH PROJECT.

12 MR. GAUGHAN: What is the
13 recommendation of Chairperson for the Committee
14 on Community Development?

15 DR. ROTHCHILD: As Chairperson for
16 the Committee on Community Development, I
17 recommend final passage of Item 7-H.

18 MR. DONAHUE: Second.

19 MR. GAUGHAN: On the question? Roll
20 call, please.

21 MS. CARRERA: Mr. Schuster.

22 MR. SCHUSTER: Yes.

23 MS. CARRERA: Mr. McAndrew.

24 MR. MCANDREW: Yes.

25 MS. CARRERA: Dr. Rothchild.

1 DR. ROTHCHILD: Yes.

2 MS. CARRERA: Mr. Donahue.

3 MR. DONAHUE: Yes.

4 MS. CARRERA: Mr. Gaughan.

5 MR. GAUGHAN: Yes. I hereby declare
6 Item 7-H legally and lawfully adopted.

7 MS. REED: 7-I. FOR CONSIDERATION
8 BY THE COMMITTEE ON COMMUNITY DEVELOPMENT -
9 FOR ADOPTION - RESOLUTION NO. 97, 2020 -
10 RATIFYING AND APPROVING OF THE EXECUTION AND
11 SUBMISSION OF THE GRANT APPLICATION BY THE CITY
12 OF SCRANTON, ON BEHALF OF UNIVERSITY OF
13 SCRANTON TO THE COMMONWEALTH OF PENNSYLVANIA
14 ACTING THROUGH THE COMMONWEALTH FINANCING
15 AUTHORITY FOR A LOCAL SHARE ACCOUNT
16 GRANT, PURSUANT TO THE PA RACE HORSE
17 DEVELOPMENT AND GAMING ACT IN THE AMOUNT OF
18 \$315,000.00 FOR THE PROJECT TO BE KNOWN AS
19 "MECHANICAL ENGINEERING PROGRAM EQUIPMENT
20 PROJECT" LOCATED AT 800 LINDEN STREET,
21 SCRANTON, PENNSYLVANIA, AND AUTHORIZING THE
22 MAYOR AND OTHER APPROPRIATE CITY OFFICIALS OF
23 THE CITY OF SCRANTON, PA, TO ACCEPT THE GRANT,
24 IF SUCCESSFUL, AND EXECUTE AND ENTER INTO A
25 LOCAL SHARE ACCOUNT GRANT CONTRACT AND

1 COMMITMENT LETTER WITH THE COMMONWEALTH OF
2 PENNSYLVANIA TO ACCEPT AND UTILIZE THE GRANT IN
3 THE AMOUNT OF \$315,000.00 AWARDED BY THE
4 COMMONWEALTH OF PENNSYLVANIA FOR SUCH PROJECT.

5 MR. GAUGHAN: What is the
6 recommendation of the Chairperson for the
7 Committee on Community Development?

8 DR. ROTHCHILD: As Chair for the
9 Committee on Community Development, I recommend
10 final passage of Item 7-I.

11 MR. DONAHUE: Second.

12 MR. GAUGHAN: On the question? Roll
13 call, please.

14 MS. CARRERA: Mr. Schuster.

15 MR SCHUSTER: Yes.

16 MS. CARRERA: Mr. McAndrew.

17 MR. MCANDREW: Yes.

18 MS. CARRERA: Dr. Rothchild.

19 DR. ROTHCHILD: Yes.

20 MS. CARRERA: Mr. Donahue.

21 MR. DONAHUE: Yes.

22 MS. CARRERA: Mr. Gaughan.

23 MR. GAUGHAN: Yes. I hereby declare
24 Item 7-I legally and lawfully adopted.

25 MS. REED: 7-J. FOR CONSIDERATION

1 BY THE COMMITTEE ON COMMUNITY DEVELOPMENT -
2 FOR ADOPTION – RESOLUTION NO. 98, 2020 –
3 RATIFYING AND APPROVING OF THE EXECUTION AND
4 SUBMISSION OF THE GRANT APPLICATION BY THE CITY
5 OF SCRANTON, ON BEHALF OF SCRANTON AREA
6 COMMUNITY FOUNDATION TO THE COMMONWEALTH OF
7 PENNSYLVANIA ACTING THROUGH THE COMMONWEALTH
8 FINANCING AUTHORITY FOR A LOCAL SHARE
9 ACCOUNT GRANT, PURSUANT TO THE PA RACE HORSE
10 DEVELOPMENT AND GAMING ACT IN THE AMOUNT OF
11 \$63,000.00 FOR THE PROJECT TO BE KNOWN AS “NEPA
12 MOVES” LOCATED AT 615 JEFFERSON AVENUE, SUITE
13 102, SCRANTON, PENNSYLVANIA, AND AUTHORIZING
14 THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS
15 OF THE CITY OF SCRANTON, PENNSYLVANIA, TO
16 ACCEPT THE GRANT, IF SUCCESSFUL, AND EXECUTE
17 AND ENTER INTO A LOCAL SHARE ACCOUNT GRANT
18 CONTRACT AND COMMITMENT LETTER WITH THE
19 COMMONWEALTH OF PENNSYLVANIA TO ACCEPT AND
20 UTILIZE THE GRANT IN THE AMOUNT OF \$63,000.00
21 AWARDED BY THE COMMONWEALTH OF PENNSYLVANIA FOR
22 SUCH PROJECT.

23 MR. GAUGHAN: What is the
24 recommendation of the Chairperson for the
25 Committee on Community Development?

1 DR. ROTHCHILD: As Chair for the
2 Committee on Community Development, I recommend
3 final passage of Item 7-J.

4 MR. DONAHUE: Second.

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

7 MS. CARRERA: Mr. Schuster.

8 MR SCHUSTER: Yes.

9 MS. CARRERA: Mr. McAndrew.

10 MR. MCANDREW: Yes.

11 MS. CARRERA: Dr. Rothchild.

12 DR. ROTHCHILD: Yes.

13 MS. CARRERA: Mr. Donahue.

14 MR. DONAHUE: Yes.

15 MS. CARRERA: Mr. Gaughan.

16 MR. GAUGHAN: Yes. I hereby declare
17 Item 7-J legally and lawfully adopted.

18 MS. REED: 7-K. FOR CONSIDERATION
19 BY THE COMMITTEE ON PUBLIC WORKS - FOR
20 ADOPTION - RESOLUTION NO. 99, 2020 - RATIFYING
21 AND APPROVING THE EXECUTION AND SUBMISSION OF
22 THE GRANT APPLICATION BY THE CITY OF SCRANTON
23 TO PENNDOT MULTIMODAL TRANSPORTATION BRIDGE
24 PROJECT GRANT FUNDING TO BE UTILIZED TO REPLACE
25 THREE BRIDGES 10 IN THE CITY, NAMELY (1) MARY

1 STREET BRIDGE, (2) HOLLOW AVENUE BRIDGE AND (3)
2 SOUTH WEBSTER AVENUE BRIDGE.

3 MR. GAUGHAN: What is the
4 recommendation of Chairperson for the Committee
5 on Public Works?

6 MR. DONAHUE: As Chair for the
7 Committee on Public Works, I recommend final
8 passage of Item 7-K.

9 MR. SCHUSTER: Second.

10 MR. GAUGHAN: On the question? Roll
11 call, please.

12 MS. CARRERA: Mr. Schuster.

13 MR. SCHUSTER: Yes.

14 MS. CARRERA: Mr. McAndrew.

15 MR. MCANDREW: Yes.

16 MS. CARRERA: Dr. Rothchild.

17 DR. ROTHCHILD: Yes.

18 MS. CARRERA: Mr. Donahue.

19 MR. DONAHUE: Yes.

20 MS. CARRERA: Mr. Gaughan.

21 MR. GAUGHAN: Yes. I hereby declare
22 Item 7-K legally and lawfully adopted.

23 Before we conclude our meeting, I
24 want to wish everyone and all of your families,
25 all my colleagues' families and those of you

1 who are you watching throughout the City of
2 Scranton, a Happy Thanksgiving. And please do
3 your best to stay safe and stay healthy.

4 If there's no further business, I'll
5 entertain a motion to adjourn.

6 DR. ROTHCHILD: Motion to adjourn.

7 MR. GAUGHAN: This meeting's
8 adjourned. Thank you, everyone. Bye-bye.

9 MR. SCHUSTER: Happy Thanksgiving.

10 DR. ROTHCHILD: Happy Thanksgiving.

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C E R T I F I C A T E

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3 I hereby certify that the proceedings and
4 evidence are contained fully and accurately in the
5 notes taken by me of the above-cause and that this copy
6 is a correct transcript of the same to the best of my
7 ability.

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9
10 _____
11 Maria McCool, RPR
12 Official Court Reporter
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