

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

SCRANTON CITY COUNCIL
PUBLIC HEARING

IN RE: FILE OF THE COUNCIL NO. 125 -
2017, AN ORDINANCE APPROPRIATING FUNDS FOR THE EXPENSES
OF THE CITY GOVERNMENT FOR THE PERIOD COMMENCING ON THE
FIRST DAY OF JANUARY 2018 TO AND INCLUDING DECEMBER 31,
2018 BY THE ADOPTION OF THE GENERAL CITY OPERATING
BUDGET FOR THE YEAR 2018.

HELD:

Thursday, November 16, 2017

LOCATION:

Council Chambers
Scranton City Hall
340 North Washington Avenue
Scranton, Pennsylvania

CATHENE S. NARDOZZI, RPR - OFFICIAL COURT REPORTER

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CITY OF SCRANTON COUNCIL:

JOSEPH WECHSLER, PRESIDENT

PATRICK ROGAN, VICE-PRESIDENT

WAYNE EVANS

WILLIAM GAUGHAN

TIM PERRY

LORI REED, CITY CLERK

KATHY CARRERA, ASSISTANT CITY CLERK

AMIL MINORA, SOLICITOR

1 MR. WECHSLER: I'd like to call this
2 public hearing to order. Roll call, please.

3 MS. CARRERA: Mr. Perry.

4 MR. PERRY: Here.

5 MS. CARRERA: Mr. Rogan.

6 MR. ROGAN: Here.

7 MS. CARRERA: Mr. Evans.

8 MR. EVANS: Here.

9 MS. CARRERA: Mr. Gaughan.

10 MR. GAUGHAN: Here.

11 MS. CARRERA: Mr. Wechsler.

12 MR. WECHSLER: Here.

13 MS. REED: The purpose of said
14 public hearing is to hear testimony and
15 discuss the following: FILE OF THE COUNCIL
16 NO. 125 - 2017, AN ORDINANCE APPROPRIATING
17 FUNDS FOR THE EXPENSES OF THE CITY
18 GOVERNMENT FOR THE PERIOD COMMENCING ON THE
19 FIRST DAY OF JANUARY 2018 TO AND INCLUDING
20 DECEMBER 31, 2018 BY THE ADOPTION OF THE
21 GENERAL CITY OPERATING BUDGET FOR THE YEAR
22 2018.

23 MR. WECHSLER: We do have a sign-in
24 sheet this evening for anyone who wants to
25 comment on the budget. Before I call anyone

1 up here, I'd like to remind everyone the
2 Rules of Council apply. You are allowed
3 five minutes to speak. This is a period for
4 you to comment on the budget, it's not a
5 period for council members to answer
6 questions. So if you have questions that
7 you would like us to find out the answers to
8 please prepare them and get them to our
9 office in writing later on this week.

10 First speaker is Joan Hodowanitz.

11 MS. HODOWANITZ: Joan Hodowanitz,
12 city resident and taxpayer. I only want to
13 comment about one aspect of the budget,
14 which I hope you would have consider as you
15 review it and perhaps negotiate with the
16 administration before it becomes law of the
17 land and that is storm water costs.

18 Now, for the 2017 budget, obviously,
19 nothing was put in there other than
20 contracting for the Arcadis study, which we
21 still don't have to the results. We still
22 don't have any kind of parameters on the
23 cost of the city and then I see nothing in
24 the budget there that addresses storm water
25 costs or storm water revenue for that matter

1 for 2018, which leads me to an observation.
2 If, in fact, Pennsylvania American Water
3 gave up responsibility for storm water
4 management for the city when it sold the
5 system then who has been working on our
6 storm water infrastructure since last
7 January? Who is going to be working on that
8 next year? I don't see even a putative
9 storm water fee, I don't see any budget line
10 or entries for that, maybe it's all going to
11 fall under the contingency budget line item,
12 but I think especially if you should by the
13 grace of God get the results of the Arcadis
14 study before you have to pass this budget
15 take look at those issues and then take a
16 look at the budget again and can we go a
17 whole year without factoring that into the
18 budget. Personally, I don't think you
19 should. Thank you.

20 MR. GAUGHAN: Thank you.

21 MR. WECHSLER: John Walsh.

22 MR. WALSH: Good evening. My name
23 is John Walsh, Scranton resident for like
24 the last 30 years, probably 50 out of my 60
25 years. Raised my children here in the city

1 and they are doing very well today.

2 I have a couple of issues. One
3 issue, the first issue is the garbage fee.
4 Now, under the Municipality Act you can only
5 charge what it costs. Now, I made the
6 Auditor General aware of once he took over
7 the pension funds where this money came from
8 and, hence, I think he did an audit of you
9 guys, and where does that money go? You
10 know, I think I said it before and I'll say
11 it again it was revenue shifting on the part
12 of the mayor and you are basically part of
13 it because it's kind of like a conspiracy.

14 Oh, to answer your question, the
15 American Water is now in charge of that and
16 there is \$37 million been set aside in
17 collecting revenue for that storm storage.
18 Once in awhile the Scranton Times lets out a
19 truth, so with the Municipality Act that's
20 one issue.

21 The second issue is that the
22 recyclables are being recycled -- I don't
23 know to date, but for the longest time by
24 civilian detainees from the county prison.
25 Now, that's against federal law and

1 international law, okay, so and you guys are
2 part of that and we are part of it, okay?
3 So that's another big issue because the
4 administrative law that Judge Trish Corbett
5 wrote is completely illegal, okay. It was
6 basically done under the same scheme that
7 the Kids For Cash scheme went under, so now
8 that you are aware of that and you continue
9 to vote to keep that tax fee involved you
10 guys should not-- the Municipality Act is
11 quite clear you should only cost -- we
12 should only pay what it costs, okay, now you
13 are aware of it, okay, it's in the record,
14 okay?

15 My last -- oh, I got one more. The
16 idea of this downtown parking fee, okay, I
17 spent the last winter in Naples. They don't
18 have meters. They have parking garages that
19 are open to people to come and visit and
20 shop in the downtown area and a lot of
21 people don't like coming here because of
22 that. They are afraid they are -- first of
23 all, they got to pay an exorbitant amount
24 and then they are afraid of getting overtime
25 and then getting slammed with a \$20 parking

1 fee so that's -- you know, you want your
2 city to thrive you need to take that into
3 account.

4 The point of matter is I think I
5 left you guys a thing about Wal-Mart
6 boycott?

7 MR. WECHSLER: Mr. Walsh, this is
8 for comments on the budget.

9 MR. WALSH: Well, this has to do
10 with the budget, sir, okay?

11 MR. WECHSLER: Please get to it
12 then, the budget.

13 MR. WALSH: Relax, chill.

14 MR. WECHSLER: No, we have --

15 MR. WALSH: The point is with the
16 living wage we basically collect more tax.
17 The city has one of the highest income taxes
18 in the state, probably only second to
19 Philadelphia; correct? Yeah. So that's my
20 point about living wage and I think that you
21 people should make a resolution of basically
22 going forward with the living wage within
23 this community, okay? I have bigger dreams
24 of collectively capitalism, but I take one
25 step at a time.

1 So I would like to put this into the
2 record and that's about all I have for the
3 moment. Thank you.

4 MR. WECHSLER: Thank you. Anyone
5 else?

6 MS. SCHUMACHER: Just one second,
7 please? Marie Schumacher. The Act 47 exit
8 plan forecasted total revenues of 91.6
9 million without the implementation of PEL
10 recommendations. I would like to know which
11 PEL recommendations have been implemented to
12 increase the revenue budget amount by \$3.3e
13 million? I will be submitting these
14 tomorrow.

15 Next, where is the contingency plan
16 for the possible lost of one or more of the
17 lawsuits, most especially the Act 511 taxes
18 on which Judge Gibbons has already ruled,
19 and not in the city's favor, I might add,
20 with the limiting increase of property taxes
21 imposed by the Scranton School District I
22 believe it will put more stress on many
23 property owners. I strongly urge that there
24 be no hires for newly created positions
25 until each and every existing lawsuit

1 against the city and the Scranton Sewer
2 Authority is resolved. If, as has been
3 noted by Finance Chair Evans, the assessment
4 value of taxable property has been
5 decreasing due to assessment appeals and the
6 same collection rate is resumed for the
7 preparation of the 2018 budget I don't
8 understand how the 2018 budget amount
9 increased over that of 2017. Maybe you can
10 explain that.

11 The refuse fees, where is the study
12 to support this is a legitimate fee and not
13 a tax? If the study to bid -- excuse me, I
14 screwed up here. If the study is to be
15 received in the first quarter of the 2018
16 does not support this as a fee, will the
17 budget and the amount to be collected be
18 adjusted and why are we continuing to ignore
19 the statute that requires the separate
20 account and why would you not consider -- or
21 why would you consider converting to a
22 payroll tax if the city will exit Act 47 in
23 2021 and this tax is available only to Act
24 47 municipalities? I think that's probably
25 a waste of time.

1 Why have you paid no heed to the
2 complaint of a few weeks ago that it appears
3 property owners are paying pretty much
4 double for building inspections. Also, are
5 there signatures available to show all
6 inspections have actually performed?

7 What is the collection rate on the
8 quality of life tickets? It appears the
9 revenue amount for this activity does not
10 cover the fully burdened cost of performing
11 this function so why do we continue doing
12 that?

13 What rate of interest are we getting
14 on the unspent sewer asset sale proceeds on
15 where is it invested?

16 On the plan to expand and refine
17 banking services will this effort be bid
18 out?

19 Regarding hope for payment in lieu
20 of taxes, why are we not performing the HUP
21 test on all exempt properties? I think that
22 would have a larger pay off than the tax
23 increases in our -- tax revenue instead of
24 the payments -- relying on the payments in
25 lieu of taxes.

1 Would you please explain how the
2 ordinance defining procedures for utility
3 company interaction with the city was
4 changed and when was it approved by council?
5 Is 2018 the final year of the SAFER grant?
6 Does the city maintain a log of all street
7 paving? Is there a procedure in place for
8 how streets are selected for paving and
9 could you provide a copy? The parking lease
10 agreement requires the city to pay \$2.85
11 million toward John Basalyga's renovation of
12 the Electric City garage. Has all of this
13 amount been expended, and if not how much is
14 in the 2018 budget for this expense?

15 The budget states that TV cable
16 amount for 2018 is consistent with the 2017
17 budget but the recent quarterly payment
18 times four is over a million dollars so why
19 is the budgeted amount \$850,000?

20 Why is the amount budgeted for the
21 Ice Box development repayment \$1,000 when
22 the agreement requires \$600?

23 I'll continue at the regular
24 meeting. Thank you.

25 MR. WECHSLER: Anyone else? Thank

you. This hearing is adjourned.

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

C E R T I F I C A T E

1
2
3 I hereby certify that the proceedings and
4 evidence are contained fully and accurately in the
5 notes of testimony taken by me at the hearing of the
6 above-captioned matter and that the foregoing is a true
7 and correct transcript of the same to the best of my
8 ability.
9
10
11

12 CATHENE S. NARDOZZI, RPR
13 OFFICIAL COURT REPORTER
14
15
16
17
18
19
20
21
22
23
24
25