

COUNCIL FOR THE CITY OF SCRANTON

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HELD:

Monday, December 9th, 2019

LOCATION:

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

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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- PATRICK ROGAN, PRESIDENT
- TIMOTHY PERRY, VICE PRESIDENT - absent
- WILLIAM GAUGHAN
- KYLE DONAHUE
- MARY WALSH DEMPSEY

- LORI REED, CITY CLERK
- KATHY CARRERA, ASSISTANT CITY CLERK
- AMIL MINORA, ESQUIRE

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

3

4 MR. ROGAN: Roll call, please.

5 MS. CARRERA: Mr. Perry. Mr.

6 Donahue.

7 MR. DONAHUE: Here.

8 MS. CARRERA: Attorney Dempsey.

9 ATTY. DEMPSEY: Here.

10 MS. CARRERA: Mr. Gaughan.

11 MR. GAUGHAN: Here.

12 MS. CARRERA: Mr. Rogan.

13 MR. ROGAN: Here.

14 MR. GAUGHAN: I'd like to make a
15 motion to take from the table file of the
16 Council No. 78 2019.

17 ATTY. DEMPSEY: Second.

18 MR. ROGAN: On the question? This
19 piece is being taken from the table and placed
20 into Seventh Order for a final vote. This
21 ordinance pertains to the 2020 operating budget
22 and was tabled to allow time for a public
23 caucus. Anyone who wishes to speak on this
24 particular piece of legislation may do so
25 during Fourth Order, Citizens Participation.

1 All those in favor signify by saying aye.

2 MR. DONAHUE: Aye.

3 MR. GAUGHAN: Aye.

4 ATTY. DEMPSEY: Aye.

5 MR. ROGAN: Aye. Opposed? The ayes
6 have it and so moved.

7 ATTY. DEMPSEY: I'd like to make a
8 motion to take from the table Resolution No.
9 183 2019.

10 MR. ROGAN: Is there a second?

11 I'll second the motion. This is being taken
12 from the table and placed into Seventh Order
13 for a final vote. This pertains to the
14 contract with Speck and Isett Associates for
15 the Downtown Connectivity Plan. Anyone who
16 wishes to speak for this particular piece of
17 legislation may do so during Fourth Order,
18 Citizens Participation. All those in favor
19 signify by saying aye.

20 MR. GAUGHAN: Aye.

21 ATTY. DEMPSEY: Aye.

22 MR. ROGAN: Aye. Opposed?

23 MR. DONAHUE: No.

24 MR. ROGAN: The ayes have it and so
25 moved. Please dispense with the reading of the

1 minutes.

2 MS. REED: THIRD ORDER.

3 3-A. AGENDA FOR THE ZONING HEARING
4 BOARD MEETING TO BE HELD DECEMBER 11, 2019.

5 3-B. SINGLE TAX OFFICE CITY FUNDS
6 DISTRIBUTED COMPARISON REPORT 2019 - 2018 YEAR
7 TO DATE NOVEMBER 30, 2019.

8 3-C. TAX ASSESSOR'S REPORT FOR
9 HEARING DATE TO BE HELD DECEMBER 11, 2019.

10 3-D. MINUTES OF THE REGULAR MEETING
11 OF THE SCRANTON REDEVELOPMENT AUTHORITY HELD
12 NOVEMBER 6, 2019.

13 3-E. MINUTES OF THE CIVIL SERVICE
14 COMMISSION MEETING HELD NOVEMBER 6, 2019.

15 MR. ROGAN: Are there any comments?
16 If not, received and filed. Do any Council
17 members have announcements at this time?

18 (No response.)

19 MS. REED: FOURTH ORDER. Citizens
20 Participation.

21
22 (The following speakers spoke on
23 agenda items and matters of general concern:

24 Joan Hodowanitz

25 Les Spindler

1 Pat Hinton
2 Ron Ellman
3 Lee Morgan
4 Fay Franus
5 Marie Schumacher
6 Norma Jeffries
7 Dave Dobrzyn)

8
9 MS. REED: FIFTH ORDER. 5-A.

10 MOTIONS.

11 MR. ROGAN: Mr. Donahue, any motions
12 or comments?

13 MR. DONAHUE: Yes, first I'd just
14 like to send my condolences to Mrs.
15 Novembrino's family. She was a wonderful lady
16 and, you know, 30 years of service to this City
17 should be commended.

18 In response to, Mr. Hinton, I did
19 say that at a Green Ridge Neighborhood meeting
20 because in my first 18 months on this Council I
21 would week after week send up requests to
22 Licensing and Inspection and so would my
23 colleagues with zero response, week after week.

24 And it was -- I would put complaints
25 for Licensing and Inspections actually above

1 complaints for potholes. And then you add onto
2 that, you know, we've had multiple federal
3 lawsuits. We settled one for about 250 grand.
4 I think there's about three more still out
5 there.

6 And also, you know, the Pay to Play
7 involving the Mayor. Whether you knew or not,
8 you were responsible for that office. That was
9 your responsibility. And I'll leave it at
10 that. And that's all I have for tonight.

11 MR. ROGAN: Thank you. Attorney
12 Dempsey, any motions or comments?

13 ATTY. DEMPSEY: Yes, actually. I'm
14 going -- I have no motions. I'm going to
15 refrain from making my budget comments until
16 later on both the budget and the amendments. I
17 again have to speak to Mr. Ellman. You have
18 again succeeded in offending me. I don't know
19 what the problem here is with you and women.

20 The comments were offense and
21 chauvinistic. You got up here and you started
22 to talk about the ladies of the school board.
23 There is also a male member of the school
24 board. And Miss Cruise{sic} is sitting here in
25 the back and I'm sure she was taken aback and

1 insulted by it as well.

2 And one of your comments was they
3 can't say no. What does that even mean that
4 can't say no? And why would you make that
5 generalized comment about women in general?
6 The comments were demeaning and they were
7 disheartening. And then you started to talk
8 about Mayor-elect Cagnetti and Dr. Rothchild.

9 May I remind you one has an MBA from
10 Harvard and may I remind you the other one has
11 a PhD. And again, you call them ladies. And
12 then you spoke about an unwed mother in the
13 projects. What that has to do with anything, I
14 don't know.

15 But I do know one thing, the unwed
16 mother, it was not an immaculate conception.
17 So there's men involved in that as well. And
18 yet, you didn't bring that issue up at all.
19 This is the second or third time I've had to
20 address this. And I don't understand what this
21 ongoing thing is against women. It is
22 insulting.

23 It's unacceptable. It's violative
24 of our rules of Council. Honestly, I think
25 it's about the third time I've asked that

1 either or Council President or our Solicitor
2 step in the next time they hear these comments
3 and ask you to stop them.

4 I think it's unfair to anyone in
5 this room who has an aunt, a daughter, a sister
6 or a wife to sit here and to listen to those
7 comments. And I don't think any of us should
8 acquiesce in silence when we hear them. I'm
9 going to ask you again to refrain from those
10 comments in the future. That's all I have.
11 Thank you.

12 MR. ROGAN: Mr. Gaughan, any motions
13 or comments?

14 MR. GAUGHAN: Yes, I just wanted to
15 also send my condolences to family of Roseann
16 Novembrino. I mentioned a few weeks ago when
17 she had retired, you know, how in my opinion
18 and I think and many others in this building
19 and across the City that she was one of the
20 kindest, most compassionate people involved in
21 public service in the City of Scranton.

22 And I, you know, in the last few
23 days since she passed away thinking about when
24 I first got involved on Council and in public
25 service she was one of the first people that

1 extended a hand and her door was always open.

2 And I know that the employees who
3 worked in her office and worked for her held
4 her in the highest esteem. She really was one
5 of the most well respected public officials and
6 well respected people, not only in government
7 but throughout the City of Scranton. So again,
8 we're -- we lost somebody that was I think one
9 of the best people and one of the most well
10 respected people in this building.

11 And again, to approach that position
12 with the compassion and with the kindness that
13 she did and the way that she interacted with
14 the public and the people I think should be
15 commendable. So I want to say God bless her
16 and God bless her family at this time.

17 The only other thing I want to
18 mention is the rescue mission on Olive Street.
19 I know there was an article in the newspaper
20 today. We did receive a -- or I received a
21 phone call from a gentleman in that area. And
22 some of the neighbors are complaining again.

23 This is a recurring problem. I know
24 it got a little bit better based on some of the
25 efforts made months and months and months ago

1 to clean the property up. But apparently
2 according to this gentleman, there are some
3 issues that are occurring again. So,
4 Mrs. Reed, if we can just send a followup
5 letter to the rescue mission.

6 One of the recommendations after
7 speaking to this one gentleman was maybe
8 someone from the establishment could do a check
9 at least once every 24 hours. There seems to
10 be issues with clothes and debris and other
11 things. So if we can do that and I know the
12 Licensing and Inspections Office is aware of
13 it.

14 But if we can just send something
15 again to them or copy them on the letter, I
16 would appreciate it. And the only other thing
17 I want to mention is if we can please place Mr.
18 Bulzoni responded to our budget questions we
19 had, I don't know, four or five, six pages of
20 budget questions.

21 He did respond. We received them
22 last Wednesday. If we can place those in Third
23 Order for the next meeting so that the public
24 can see how he responded, I would appreciate
25 it. I will save the rest of my comments for

1 agenda comments. Thank you.

2 MR. ROGAN: Thank you. I will also
3 save my comments for agenda items.

4 MS. REED: 5-B. FOR INTRODUCTION -
5 A RESOLUTION - AUTHORIZING THE MAYOR AND
6 OTHER APPROPRIATE CITY OFFICIALS FOR THE CITY
7 OF SCRANTON TO EXECUTE AND ENTER INTO AN
8 AGREEMENT WITH NEIGHBORWORKS OF
9 NORTHEASTERN PENNSYLVANIA, 1510 NORTH MAIN
10 AVENUE, SCRANTON, PENNSYLVANIA 18508 TO CREATE,
11 ESTABLISH, AND ADMINISTER THE CITY OF
12 SCRANTON'S HOMEBUYER PROGRAM.

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

16 ATTY. DEMPSEY: So moved.

17 MR. DONAHUE: Second.

18 MR. ROGAN: On the question?

19 MR. GAUGHAN: Yes, on the question.
20 I went through this legislation. I understand
21 what is trying to be done here. I know we
22 received a confidential memo on this issue. We
23 just received it tonight so I haven't had a
24 chance to take a look at it. But what I would
25 recommend is if we can have the Director of

1 OECD, if possible, come into our caucus next
2 week just so we can have a conversation on this
3 piece.

4 And I think I would like to get
5 maybe a better sense of why we're doing this.
6 And if things aren't working in OECD in terms
7 of this program, I think maybe a little bit
8 more background on why. And I'm not against
9 this. Again, I'm still reviewing it. But I
10 think that would be helpful to get some
11 background on that from the Director. Thank
12 you.

13 MR. ROGAN: Anyone else? All those
14 in favor signify by saying aye.

15 MR. DONAHUE: Aye.

16 MR. GAUGHAN: Aye.

17 ATTY. DEMPSEY: Aye.

18 MR. ROGAN: Aye. Opposed? The ayes
19 have it and so moved.

20 MS. REED: 5-C. FOR INTRODUCTION -
21 A RESOLUTION - RE-APPOINTMENT OF MICHAEL
22 MULLER, 830 TAYLOR AVENUE, SCRANTON,
23 PENNSYLVANIA, 18510 AS A MEMBER OF THE
24 HISTORICAL ARCHITECTURE REVIEW BOARD. MICHAEL
25 MULLER'S TERM ON THE HISTORICAL ARCHITECTURE

1 REVIEW BOARD EXPIRED ON OCTOBER 11, 2016 AND
2 WAS HELD OVER UNTIL NOVEMBER 20, 2019. HIS NEW
3 TERM WILL EXPIRE ON OCTOBER 11, 2021.

4 MR. ROGAN: At this time I'll
5 entertain a motion that Item 5-C be introduced
6 into its proper committee.

7 ATTY. DEMPSEY: So moved.

8 MR. DONAHUE: Second.

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

11 MR. DONAHUE: Aye.

12 MR. GAUGHAN: Aye.

13 ATTY. DEMPSEY: Aye.

14 MR. ROGAN: Aye. Opposed? The ayes
15 have it and so moved.

16 MS. REED: 5-D. FOR INTRODUCTION -
17 A RESOLUTION - APPOINTMENT OF THOMAS
18 TANSITS, 17 TERRACE DRIVE, SCRANTON,
19 PENNSYLVANIA, 18505, AS A MEMBER OF THE
20 SCRANTON PARKING AUTHORITY EFFECTIVE OCTOBER 1,
21 2019. THOMAS TANSITS WILL REPLACE JOSEPH
22 WECHSLER WHO RESIGNED EFFECTIVE FEBRUARY 5,
23 2019. THOMAS TANSITS WILL FULFILL THE
24 UNEXPIRED TERM OF JOSEPH WECHSLER WHOSE TERM IS
25 SCHEDULED TO EXPIRE ON JUNE 1, 2020.

1 MR. ROGAN: At this time I'll
2 entertain a motion that Item 5-D be introduced
3 into its proper committee.

4 ATTY. DEMPSEY: So moved.

5 MR. DONAHUE: Second.

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

8 MR. DONAHUE: Aye.

9 MR. GAUGHAN: Aye.

10 ATTY. DEMPSEY: Aye.

11 MR. ROGAN: Aye. Opposed? The ayes
12 have it and so moved.

13 MS. REED: 5-E. FOR INTRODUCTION -
14 A RESOLUTION - APPOINTMENT OF NORMA
15 JEFFRIES, 619 COLFAX AVENUE, SCRANTON,
16 PENNSYLVANIA, 18510 AS A MEMBER OF THE SHADE
17 TREE COMMISSION, EFFECTIVE OCTOBER 11,
18 2019. NORMA JEFFRIES IS REPLACING ANN MCNALLY
19 WHOSE TERM EXPIRED ON OCTOBER 29, 2017. NORMA
20 JEFFRIES IS APPOINTED TO A FIVE (5) YEAR TERM
21 WHICH WILL EXPIRE ON OCTOBER 11, 2024.

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

25 ATTY. DEMPSEY: So moved.

1 MR. DONAHUE: Second.

2 MR. ROGAN: On the question?

3 MR. GAUGHAN: Yes, on the question.

4 I just want to thank Mrs. Jeffries for coming
5 to our meetings, first of all, and getting
6 appointed to this board. And I know she'll do
7 a great job as will all the other appointments.
8 Thank you.

9 MR. ROGAN: All those in favor
10 signify by saying aye.

11 MR. DONAHUE: Aye.

12 MR. GAUGHAN: Aye.

13 ATTY. DEMPSEY: Aye.

14 MR. ROGAN: Aye. Opposed? The ayes
15 have it and so moved.

16 MS. REED: 5-F. FOR INTRODUCTION -
17 A RESOLUTION - RE-APPOINTMENT OF WILLIAM
18 LESNIAK, 314 PITTSTON AVENUE, SCRANTON,
19 PENNSYLVANIA, 18505 AS A MEMBER OF THE
20 HISTORICAL ARCHITECTURE REVIEW BOARD. WILLIAM
21 LESNIAK'S TERM ON THE HISTORICAL ARCHITECTURE
22 REVIEW BOARD EXPIRED ON OCTOBER 11, 2017 AND
23 WAS HELD OVER UNTIL NOVEMBER 15, 2019. HIS NEW
24 TERM WILL EXPIRE ON OCTOBER 11, 2022.

25 MR. ROGAN: At this time I'll

1 entertain a motion that Item 5-F be introduced
2 into its proper committee.

3 ATTY. DEMPSEY: So moved.

4 MR. DONAHUE: Second.

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

7 MR. DONAHUE: Aye.

8 MR. GAUGHAN: Aye.

9 ATTY. DEMPSEY: Aye.

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

12 MS. REED: 5-G. FOR INTRODUCTION -
13 A RESOLUTION - APPOINTMENT OF JOHN R.
14 FINNERTY, 622 WINTERMANTLE AVENUE, SCRANTON,
15 PENNSYLVANIA, 18505, AS A MEMBER OF THE
16 PLANNING COMMISSION OF THE CITY OF
17 SCRANTON EFFECTIVE DECEMBER 31, 2019. JOHN R.
18 FINNERTY WILL BE REPLACING PASTOR ANTHONY
19 ISMAEL WHOSE TERM IS SET TO EXPIRE ON
20 DECEMBER 31, 2019 AND WILL NOT BE REAPPOINTED
21 CREATING A VACANCY ON THE COMMISSION. MR.
22 FINNERTY'S TERM WILL EXPIRE ON DECEMBER 31,
23 2023.

24 MR. ROGAN: At this time I'll
25 entertain a motion that Item 5-G be introduced

1 into its proper committee.

2 ATTY. DEMPSEY: So moved.

3 MR. DONAHUE: Second.

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

6 MR. DONAHUE: Aye.

7 MR. GAUGHAN: Aye.

8 ATTY. DEMPSEY: Aye.

9 MR. ROGAN: Aye. Opposed? The ayes
10 have it and so moved.

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

12 READING BY TITLE - FILE OF THE COUNCIL NO. 80,
13 2019 - AN ORDINANCE - AMENDING FILE OF THE
14 COUNCIL NO. 6, 1976 ENTITLED "AN ORDINANCE (AS
15 AMENDED) IMPOSING A TAX FOR GENERAL REVENUE
16 PURPOSES ON THE TRANSFER OF REAL PROPERTY
17 SITUATE WITHIN THE CITY OF SCRANTON;
18 PRESCRIBING AND REGULATING THE METHOD OF
19 EVIDENCING THE PAYMENT OF SUCH TAX; CONFERRING
20 POWERS AND IMPOSING THE DUTIES UPON CERTAIN
21 PERSONS, AND PROVIDING PENALTIES", BY IMPOSING
22 THE RATE OF THE REALTY TRANSFER TAX AT
23 TWO AND TWO TENTHS PERCENT (2.2%) FOR CALENDAR
24 YEAR 2020 AND THE SAME SHALL REMAIN IN FULL
25 FORCE AND EFFECT ANNUALLY THEREAFTER.

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

3 MR. GAUGHAN: Mr. Chairman, I move
4 that Item 6-A pass reading by title.

5 MR. DONAHUE: Second.

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

8 MR. DONAHUE: Aye.

9 MR. GAUGHAN: Aye.

10 ATTY. DEMPSEY: Aye.

11 MR. ROGAN: Aye. Opposed? The ayes
12 have it and so moved.

13 MS. REED: 6-B. READING BY TITLE -
14 FILE OF THE COUNCIL NO. 81, 2019 - AN
15 ORDINANCE - AMENDING FILE OF THE COUNCIL NO.
16 11, 1976, ENTITLED "AN ORDINANCE (AS AMENDED)
17 ENACTING, IMPOSING A TAX FOR GENERAL
18 REVENUE PURPOSES IN THE AMOUNT OF TWO PERCENT
19 (2%) ON EARNED INCOME AND NET PROFITS ON
20 PERSONS, INDIVIDUALS, ASSOCIATIONS
21 AND BUSINESSES WHO ARE RESIDENTS OF THE CITY OF
22 SCRANTON, OR NON-RESIDENTS OF THE CITY OF
23 SCRANTON, FOR WORK DONE, SERVICES PERFORMED OR
24 BUSINESS CONDUCTED WITHIN THE CITY OF SCRANTON,
25 REQUIRING THE FILING OF RETURNS BY TAXPAYERS

1 SUBJECT TO THE TAX; REQUIRING EMPLOYERS TO
2 COLLECT THE TAX AT SOURCE; PROVIDING FOR THE
3 ADMINISTRATION, COLLECTION AND ENFORCEMENT OF
4 THE SAID TAX; AND IMPOSING PENALTIES FOR THE
5 VIOLATIONS", BY RE-ENACTING THE IMPOSITION OF
6 THE WAGE TAX AT TWO AND FOUR TENTHS (2.4%)
7 PERCENT ON EARNED INCOME FOR RESIDENTS AND ONE
8 (1%) PERCENT ON EARNED INCOME FOR NON-RESIDENTS
9 OF THE CITY OF SCRANTON, FOR WORK DONE,
10 SERVICES PERFORMED OR BUSINESS CONDUCTED WITHIN
11 THE CITY OF SCRANTON FOR THE YEAR 2020 AND THE
12 SAME SHALL REMAIN IN FULL FORCE AND EFFECT
13 ANNUALLY THEREAFTER.

14 MR. ROGAN: You've heard reading by
15 title of Item 6-B. What is your pleasure?

16 MR. GAUGHAN: Mr. Chairman, I move
17 that Item 6-B pass reading by title.

18 MR. DONAHUE: Second.

19 MR. ROGAN: On the question? All
20 those in favor signify by saying aye.

21 MR. DONAHUE: Aye.

22 MR. GAUGHAN: Aye.

23 ATTY. DEMPSEY: Aye.

24 MR. ROGAN: Aye. Opposed? The ayes
25 have it and so moved.

1 MS. REED: 6-C. READING BY TITLE -
2 FILE OF THE COUNCIL NO. 82, 2019 - AN
3 ORDINANCE - AMENDING FILE OF THE COUNCIL NO.
4 43, 2018, AN ORDINANCE AMENDING FILE OF THE
5 COUNCIL NO. 100, 1976, ENTITLED "AN ORDINANCE
6 (AS AMENDED) LEVYING GENERAL AND SPECIAL TAXES
7 FOR THE FISCAL YEAR 1977", BY SETTING THE
8 MILLAGE FOR THE YEAR 2020 AND THE SAME SHALL
9 REMAIN IN FULL FORCE AND EFFECT ANNUALLY
10 THEREAFTER" BY AMENDING SECTION 1 REVERTING
11 BACK TO THE MILLAGE RATES FROM 2016 WHICH ARE
12 .232521 MILLS LEVY ON LAND AND .050564 MILLS
13 LEVY ON ALL BUILDINGS AND BY ELIMINATING
14 THE DEDICATED MILLAGE FOR DEBT SERVICE
15 CONTAINED IN SECTION 2 AND REPLACING THE
16 DEDICATED MILLAGE FOR DEBT SERVICE WITH A
17 DEDICATED DEBT PERCENTAGE OF 33% OF REAL ESTATE
18 TAX REVENUES COLLECTED ON A CURRENT YEAR BASIS.

19 MR. ROGAN: You've heard reading by
20 title of Item 6-C. What is your pleasure?

21 MR. GAUGHAN: Mr. Chairman, I move
22 that Item 6-C pass reading by title.

23 MR. DONAHUE: Second.

24 MR. ROGAN: On the question? All
25 those in favor signify by saying aye.

1 MR. DONAHUE: Aye.

2 MR. GAUGHAN: Aye.

3 ATTY. DEMPSEY: Aye.

4 MR. ROGAN: Aye. Opposed? The ayes
5 have it and so moved.

6 MS. REED: 6-D. READING BY TITLE -
7 FILE OF THE COUNCIL NO. 83, 2019 - AN
8 ORDINANCE - AMENDING FILE OF THE COUNCIL NO.
9 147, 1986, ENTITLED "AN ORDINANCE PROVIDING FOR
10 THE GENERAL REVENUE BY IMPOSING A TAX AT THE
11 RATE OF TWO (2) MILLS UPON THE PRIVILEGE
12 OF OPERATING OR CONDUCTING BUSINESS IN THE CITY
13 OF SCRANTON AS MEASURED BY THE GROSS RECEIPTS
14 THEREFROM; REQUIRING REGISTRATION AND PAYMENT
15 OF THE TAX AS CONDITION TO THE CONDUCTING OF
16 SUCH BUSINESS; PROVIDING FOR THE LEVY AND
17 COLLECTION OF SUCH TAX; PRESCRIBING SUCH
18 REQUIREMENTS FOR RETURNS AND RECORDS;
19 CONFERRING POWERS AND DUTIES UPON THE TAX
20 COLLECTOR; AND IMPOSING PENALTIES", BY IMPOSING
21 THE BUSINESS PRIVILEGE TAX AT THE RATE OF ONE
22 (1) MILL (.001) FOR CALENDAR YEAR 2020 AND THE
23 SAME SHALL REMAIN IN FULL FORCE AND EFFECT
24 ANNUALLY THEREAFTER.

25 MR. ROGAN: You've heard reading by

1 title of Item 6-D. What is your pleasure?

2 MR. GAUGHAN: Mr. Chairman, I move
3 that Item 6-D pass reading by title.

4 MR. DONAHUE: Second.

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

7 MR. DONAHUE: Aye.

8 MR. GAUGHAN: Aye.

9 ATTY. DEMPSEY: Aye.

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

12 MS. REED: 6-E. READING BY TITLE -
13 FILE OF THE COUNCIL NO. 84, 2019 - AN
14 ORDINANCE - AMENDING FILE OF THE COUNCIL NO.
15 148, 1986, ENTITLED "AN ORDINANCE AMENDING FILE
16 OF THE COUNCIL NO. 98, 1976 AS AMENDED, AND
17 IMPOSING A MERCANTILE LICENSE TAX OF 2
18 MILLS FOR THE YEAR 1987 AND ANNUALLY THEREAFTER
19 UPON PERSONS ENGAGING IN CERTAIN OCCUPATIONS
20 AND BUSINESSES THEREIN; PROVIDING FOR ITS LEVY
21 AND COLLECTION AND FOR THE ISSUANCE OF
22 MERCANTILE LICENSES; CONFERRING AND IMPOSING
23 POWERS AND DUTIES UPON THE TAX COLLECTOR OF THE
24 CITY OF SCRANTON; AND IMPOSING PENALTIES
25 EFFECTIVE JANUARY 1, 1987", BY IMPOSING THE

1 MERCANTILE LICENSE TAX AT ONE (1) MILL (.001)
2 FOR CALENDAR YEAR 2020 AND THE SAME SHALL
3 REMAIN IN FULL FORCE AND EFFECT ANNUALLY
4 THEREAFTER.

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

7 MR. GAUGHAN: Mr. Chairman, I move
8 that Item 6-E pass reading by title.

9 MR. DONAHUE: Second.

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

12 MR. DONAHUE: Aye.

13 MR. GAUGHAN: Aye.

14 ATTY. DEMPSEY: Aye.

15 MR. ROGAN: Aye. Opposed? The ayes
16 have it and so moved.

17 MS. REED: 6-F. READING BY TITLE -
18 FILE OF THE COUNCIL NO. 85, 2019 - AN
19 ORDINANCE - APPROVING THE TRANSFER OF A
20 RESTAURANT LIQUOR LICENSE OWNED BY KAYGEECEE,
21 INC. D/B/A J.J. BRIDGES, CURRENTLY
22 IN SAFE KEEPING WITH THE PENNSYLVANIA LIQUOR
23 CONTROL BOARD FORMERLY USED AT 925 NORTHERN
24 BOULEVARD, SOUTH ABINGTON TOWNSHIP,
25 PENNSYLVANIA, 18411, FOR USE AT 100 NORTH MAIN

1 AVENUE, SCRANTON, LACKAWANNA COUNTY,
2 PENNSYLVANIA, 18504 AS REQUIRED BY THE
3 PENNSYLVANIA LIQUOR CONTROL BOARD.

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

6 MR. GAUGHAN: Mr. Chairman, I move
7 that Item 6-F pass reading by title.

8 MR. DONAHUE: Second.

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

11 MR. DONAHUE: Aye.

12 MR. GAUGHAN: Aye.

13 ATTY. DEMPSEY: Aye.

14 MR. ROGAN: Aye. Opposed? The ayes
15 have it and so moved.

16 MS. REED: SEVENTH ORDER.

17 7-A. FOR CONSIDERATION BY THE
18 COMMITTEE ON FINANCE - FOR ADOPTION -
19 FILE OF THE COUNCIL NO. 79, 2019 - AUTHORIZING
20 THE ISSUANCE OF A TAX AND REVENUE ANTICIPATION
21 NOTE, SERIES OF 2020 IN THE PRINCIPAL AMOUNT
22 NOT TO EXCEED \$12,750,000; PROVIDING FOR THE
23 DATED DATE, INTEREST RATE, MATURITY DATE,
24 REDEMPTION PROVISIONS, PAYMENT AND PLACE OF
25 PAYMENT IN RESPECT OF THE NOTE; ACCEPTING THE

1 PROPOSAL ATTACHED HERETO AS EXHIBIT "B"
2 FROM THE FINANCIAL INSTITUTION NAMED THEREIN
3 FOR THE PURCHASE OF THE NOTE; NAMING A SINKING
4 FUND DEPOSITARY/PAYING AGENT; AUTHORIZING THE
5 PROPER OFFICERS OF THE CITY TO EXECUTE AND
6 DELIVER THE NOTE AND CERTAIN OTHER DOCUMENTS
7 AND CERTIFICATES IN CONNECTION THEREWITH;
8 AUTHORIZING AND DIRECTING THE PREPARATION,
9 CERTIFICATION AND FILING OF THE NECESSARY
10 DOCUMENTS WITH THE DEPARTMENT OF COMMUNITY AND
11 ECONOMIC DEVELOPMENT OF THE COMMONWEALTH OF
12 PENNSYLVANIA; SETTING FORTH A FORM OF THE NOTE.

13 MR. ROGAN: What's the
14 recommendation of the Chair for the Committee
15 on Finance?

16 ATTY. DEMPSEY: As Chairperson for
17 the Committee on Finance, I recommend final
18 passage of Item 7-A.

19 MR. DONAHUE: Second.

20 MR. ROGAN: On the question? Roll
21 call, please.

22 MS. CARRERA: Mr. Donahue.

23 MR. DONAHUE: Yes.

24 MS. CARRERA: Attorney Dempsey.

25 ATTY. DEMPSEY: Yes.

1 MS. CARRERA: Mr. Gaughan.

2 MR. GAUGHAN: Yes.

3 MS. CARRERA: Mr. Rogan.

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

6 MS. REED: 7-B. FOR CONSIDERATION
7 BY THE COMMITTEE ON PUBLIC WORKS - FOR
8 ADOPTION - RESOLUTION NO. 195, 2019 -
9 AUTHORIZING THE MAYOR AND OTHER APPROPRIATE
10 CITY OFFICIALS TO APPLY FOR AND EXECUTE A GRANT
11 APPLICATION BY THE CITY OF SCRANTON TO THE
12 PENNSYLVANIA DEPARTMENT OF COMMUNITY AND
13 ECONOMIC DEVELOPMENT SMALL WATER AND SEWER
14 PROGRAM IN THE AMOUNT OF \$418,774.00 TO BE USED
15 TO INSTALL NEW AND MORE EFFICIENT INLETS AND
16 LARGER PIPES TO ADEQUATELY CONVEY THE RUNOFF ON
17 BRIGGS STREET TO KEYSER CREEK, ITS ORIGINAL
18 OUTLET POINT.

19 MR. ROGAN: What is the
20 recommendation of the Chair for the Committee
21 on Public Works?

22 MR. GAUGHAN: As Chairperson for the
23 Committee on Public Works, I recommend final
24 passage of Item 7-B.

25 ATTY. DEMPSEY: Second.

1 MR. ROGAN: On the question? Roll
2 call, please.

3 MS. CARRERA: Mr. Donahue.

4 MR. DONAHUE: Yes.

5 MS. CARRERA: Attorney Dempsey.

6 ATTY. DEMPSEY: Yes.

7 MS. CARRERA: Mr. Gaughan.

8 MR. GAUGHAN: Yes.

9 MS. CARRERA: Mr. Rogan.

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

12 MS. REED: 7-C. FOR CONSIDERATION
13 BY THE COMMITTEE ON PUBLIC WORKS - FOR
14 ADOPTION - RESOLUTION NO. 196, 2019 -
15 AUTHORIZING THE MAYOR AND OTHER APPROPRIATE
16 CITY OFFICIALS TO APPLY FOR AND EXECUTE A
17 GRANT APPLICATION BY THE CITY OF SCRANTON TO
18 THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND
19 ECONOMIC DEVELOPMENT SMALL WATER AND SEWER
20 PROGRAM IN THE AMOUNT OF \$179,575.00 TO BE USED
21 TO REPLACE EXISTING STORM ARCH STRUCTURE WITH A
22 NEW CONCRETE ARCH STRUCTURE ON BLOOM AVENUE.

23 MR. ROGAN: What is the
24 recommendation of the Chair for the Committee
25 on Public Works?

1 MR. GAUGHAN: As Chairperson for the
2 Committee on Public Works, I recommend final
3 passage of Item 7-C.

4 ATTY. DEMPSEY: Second.

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

7 MS. CARRERA: Mr. Donahue.

8 MR. DONAHUE: Yes.

9 MS. CARRERA: Attorney Dempsey.

10 ATTY. DEMPSEY: Yes.

11 MS. CARRERA: Mr. Gaughan.

12 MR. GAUGHAN: Yes.

13 MS. CARRERA: Mr. Rogan.

14 MR. ROGAN: Yes. I hereby declare
15 Item 7-C legally and lawfully adopted.

16 MS. REED: 7-D. PREVIOUSLY TABLED
17 FOR CONSIDERATION BY THE COMMITTEE ON FINANCE
18 FOR ADOPTION FILED OF THE COUNCIL NO. 78,
19 2019, APPROPRIATING FUNDS FOR THE EXPENSES OF
20 THE CITY GOVERNMENT FOR THE PERIOD COMMENCING
21 ON THE FIRST DAY OF JANUARY, 2020 TO AND
22 INCLUDING DECEMBER 31, 2020 BY THE ADOPTION OF
23 THE GENERAL CITY OPERATING BUDGET FOR THE YEAR
24 2020.

25 MR. GAUGHAN: I'd like to make the

1 following motions to amend Item 7-D per the
2 following -- and I'm going to make these
3 motions individually.

4 First, I'd like to amend account
5 number 01.301.30706 Real Estate Taxes to
6 increase the dollar amount from \$18,800,058.98
7 to \$19,366,031.15.

8 MR. ROGAN: Is there a second?

9 MR. DONAHUE: Second.

10 MR. ROGAN: On the question?

11 MR. GAUGHAN: Yes, on the question,
12 I'm going to just take this time now I might as
13 well to comment on the budget if I can on this
14 motion because it all ties in together if that
15 would be -- I think that's okay with everyone.

16 So first let me just comment on the
17 budget and then I'm going to explain the
18 several motions that I'm going to make. I
19 appreciated the Mayor and Mr. Bulzoni and our
20 recovery coordinator coming to a budget caucus
21 last Wednesday.

22 And I have to be honest. It's the
23 first time in the six years that we were
24 actually allowed to have an open and an honest
25 conversation in public about issues that face

1 the City. I could never for the life of me
2 understand since I've been on Council since
3 2014 why we were never able to get everyone
4 around a table in a room and discuss these
5 things. It was always rushed.

6 It was always at the 11th hour. We
7 were given things 45 minutes before the
8 caucuses. And so at least for the first time
9 in a long time we were able to have a
10 conversation. I was disappointed that it was
11 cut short because I think there were still some
12 things that Council wanted to zero in on and
13 discuss but it was very informative.

14 First, I do understand that the
15 budget is a relatively fluid document and that
16 no budget is perfect. Some years projections
17 are on target. Other years they're off because
18 of a number of factors. What is true since I
19 have been on Council and long before that is
20 that the City continuously faces systemic
21 issues that no magical solution can fix, not
22 even the long heralded exit from Act 47
23 distressed status.

24 Scranton like many other cities
25 across the Commonwealth of Pennsylvania cannot

1 afford the legacy cost that we are saddled
2 with, whether it be union contracts, pension
3 benefits, healthcare, longevity, on and on and
4 on.

5 The State of Pennsylvania has failed
6 every municipality in the state with their
7 revisions to Act 47. As usual, they ignore the
8 root of the problems that face cities in
9 attempt to cure them with a superficial boot
10 from distressed status as if we'll be cured
11 when we come out next summer, which we won't.

12 And that was confirmed by the
13 Pennsylvania Economy League and other officials
14 in our caucus on Wednesday. While there has
15 been progress made, there's no question about
16 that. The City cannot continue on the path
17 that this budget takes us which is reliance on
18 one-time revenue and maybes, what ifs.

19 We were told by the administration
20 that there are a lot of moving parts. And
21 there are a lot of moving parts. This is a
22 complicated budget in many aspects. We're now
23 entering our fourth year without a tax increase
24 when our exit plan calls for modest tax
25 increases over time.

1 One thing that I was kind of struck
2 by that the Pennsylvania Economy League had
3 given us was this chart on tax rate changes.
4 From 1991 -- and there's a trend here that I
5 would like to point out. From 1991 to 1998,
6 there was no tax increase.

7 And then from 1999 and the year
8 2000, major double-digit tax increases. 2001
9 to 2006 no tax increases; 2007, major
10 double-digit tax increase; 2008, 2009, 2010, no
11 tax increase; 2011, taxes were actually
12 decreased by 11 percent on land and 11 percent
13 on improvements.

14 Then from the years 2012 to 2016,
15 major double-digit increases in taxes. And
16 then now we're on a trend again, 2017, 2018,
17 2019 and 2020, no tax increase. So the point
18 I'm trying to get at here is the reality of the
19 situation. Although unfortunate as it is and
20 as the financial advisors warned us and made
21 very crystal clear, if we don't raise taxes
22 modestly this year, we may be looking at a
23 punitive double-digit increase in the next year
24 or two.

25 It's a pretty simple equation. Our

1 revenue bottoms out and our expenditures
2 continue to increase. This budget had to be
3 balanced on another quick fix which is a
4 one-time sale of assets with the sale of refuse
5 receivables.

6 That gets us through next year and
7 then what? And then what? And then what? And
8 then what after that. So what I'll be
9 recommending tonight to my fellow Council
10 members is what I feel is the responsible path
11 to take. I understand that it will not be the
12 popular path.

13 I'm going to be requesting a modest
14 tax increase which would come out to about
15 \$10.50 on the average homeowner along with
16 several reductions in expenditures so that we
17 don't as our Recovery Coordinator put it fall
18 into the trap of delaying it and then crushing
19 people in the next year or two.

20 I'm talking about being realistic
21 and being honest with people. We sat around
22 the table last Wednesday. And we heard from
23 our Recovery Coordinator and our Business
24 Administrator that if we don't modestly
25 increase taxes this year, we're going to do it

1 next year but it won't be modest.

2 It may be punitive and then the year
3 after that. And then as the Pennsylvania
4 Economy League noted -- and I just want to read
5 a quote from what they had said and this is a
6 fact. "We see one-time revenue, quick fix --
7 that's what's been going on here for as long as
8 anybody can remember -- a sale of assets to fix
9 a cyclical deficit.

10 Past history of the City shows --
11 which I just held up with the chart that we
12 will have a tax increase next year and the year
13 after. Then you'll have a structural -- if we
14 don't do that, we fall into the trap. We'll
15 have a structural deficit that is large. It
16 will grow over periods of time. And it will
17 then get to the point like a few years ago when
18 you have to lay out people with punitive tax
19 increases.

20 In the past, the City has waited
21 until the problem has compounded and then taxes
22 go through the roof. So you can't just sit
23 back and pat yourselves on the back to say that
24 we can't raise taxes. And that was our
25 Recovery Coordinator's words, not mine.

1 Now, over the last few years I've
2 had serious concerns with the budgets presented
3 to Council and this one is no different. I do
4 have several concerns. And we were able to
5 discuss some of them as we sat around the table
6 last week. One of my concerns is that
7 expenditures I think were out of control in
8 many respects over the last few years.

9 Since I took office in 2015, we have
10 had major increases in capital expenditures,
11 departmental and non departmental expenditures.
12 I laid out the last few weeks those dollar
13 amounts.

14 One example that I could pull out,
15 which I think shows the lack of foresight by
16 City officials in the past is a new public
17 safety building that we have. Some of it was
18 funded with grant money. Other money came out
19 of the budget. These are things that we take
20 on when don't have a plan to maintain them.

21 We don't have the resources to
22 maintain it. It's great to have a new Public
23 Safety Building and maybe it's warranted. But
24 we can't afford it. We couldn't afford it and
25 that's the reason I voted against it last year

1 or a few years ago.

2 Unfortunately these -- this spending
3 while some of it was necessary, that ship had
4 sailed; and there's nothing we can do about it.
5 I want to say for the record that the Mayor's
6 plan to roll the refuse bill into the real
7 estate tax bill while I don't necessarily
8 disagree with it and I think it makes sense,
9 it's riddled with issues that have not been
10 addressed to date.

11 And I want to check through a few of
12 them. Number one, legislation authorizing the
13 lowering of your refuse bill from \$300 to \$250
14 will not come down this year. It will come
15 down next year. So Council will not end up
16 passing that legislation if it even goes
17 through until the end of January, early
18 February.

19 The real estate tax bills go out in
20 February. And I've had this conversation with
21 the administration. Is it even realistic to
22 expect that the Tax Office is going to be able
23 to do all of this work and put your refuse bill
24 in the real estate tax bill in this short
25 amount of time? It's not clear that that could

1 even be done. So that's number one.

2 Number two, I think the plan the way
3 it's set up is inherently unfair. For example,
4 a business that now pays a private hauler under
5 this plan will pay a private hauler but will
6 also pay the \$250 garbage fee for a service
7 that they don't receive.

8 Now, we were told by Mr. Price, one
9 of the City Solicitors that there is precedence
10 for this and that there was a legal case
11 showing that it can be done. And I don't
12 disagree with him on that. But it's unfair.
13 You cannot expect -- if we're trying to get
14 business in the City, you can't expect
15 businesses to stay here when they're paying for
16 garbage pickup from a private hauler and then
17 they have to pay the City for separate fee.

18 The same thing in terms of
19 landlords. Now they're getting charged -- if
20 they have three units they get charged for each
21 unit. Under this plan they would just get one
22 bill for \$250. So people are skating for free.
23 On the other hand, landlords who have more than
24 four units who have to pay a private hauler,
25 now they have to pay both a private hauler and

1 the \$250 fee.

2 Again, this thing is riddled with
3 issues that I think have not really been
4 addressed yet. The plan is also built upon
5 maybes. The electronic recycle program, they
6 put \$350,000 in this budget for this program.
7 I don't disagree with it. But it has to
8 receive approval from DEP.

9 There's so many steps that they have
10 to go through. How many months is that going
11 to take? The pay as you throw program that
12 they talk about being implemented, there's --
13 could be a lot of issues with that. That
14 hasn't even been flushed out yet.

15 And then this amnesty program that
16 keeps being talked about. I don't necessarily
17 disagree with it. But we don't know enough
18 about it. And the numbers haven't even been
19 quantified yet. Healthcare increases. I know
20 Attorney Dempsey is going to go into this in
21 more detail than I will because she has a great
22 background in it.

23 I said last year that they were
24 underestimated. I thought my concerns were
25 ignored. It was underestimated. One of the

1 things that came up in our meeting was that a
2 healthcare analysis they don't put it in
3 writing -- our healthcare administrator which
4 is a huge concern.

5 Retiree healthcare came up last
6 Wednesday in our caucus. Major increase in
7 long-term liability for the City. It's
8 something that -- one of the reasons why I
9 voted against the contracts, the police and
10 fire contracts back in 2015. Mr. Bulzoni said
11 it's -- he's unclear on how to even quantify
12 that cost yet.

13 We don't know the future cost.
14 There was an article in the Scranton Times a
15 few years ago that stated that there's a
16 possibility that that could be a budget buster.
17 It's something that we gave back that I don't
18 think we'll be able to bargain now off the
19 table.

20 And it's one of the moves that
21 continues to get us in the financial quagmire
22 that we always seem to find ourselves in. The
23 conversion from the Business Privilege and
24 Mercantile Tax to Payroll Prep, I agree with
25 it; but it carries some uncertainty.

1 What will the school district do?
2 And then there's other questions that go along
3 with that. And finally, the lack of answers to
4 questions over the years has always bothered
5 me. Last year I asked a number of questions.
6 I got answers. They weren't to my
7 satisfaction. It left a lot to be desired.

8 Mr. Bulzoni responded to questions
9 this year. I appreciate it. But again, we're
10 waiting -- always waiting until the 11th hour
11 on this. I'm a person that needs to read this
12 and understand it. So to get it and then have
13 to rush through this thing -- although I think
14 we did a better job this year.

15 Hopefully with the new
16 administration we're getting this month's in
17 advance, a preliminary budget and we're able to
18 ask questions and flush this stuff out so it's
19 not a mad dash in December.

20 I appreciate what the Mayor is
21 trying to do with this budget. But again,
22 there is just too many maybes. There's too
23 many what ifs, especially with a whole new cast
24 of people most likely coming in next year with
25 the administration.

1 It's my recommendation that we take
2 a much more conservative approach that would
3 allow us to remain somewhat financially stable
4 and again, avoid having to crush people with
5 double-digit tax increases which we've had to
6 do in the past. So I'm a big believer in
7 fixing the roof while the -- and making repairs
8 while the sun is shining.

9 I don't think it's shining all the
10 way in the City. But it's there. We're not in
11 as terrible condition as we were in the past.
12 I don't make these motions lightly because I
13 know that people are suffering and having a
14 hard time paying their taxes coupled with what
15 is going on in the school district.

16 But again, to me it was a simple
17 argument that was made last week. If we don't
18 do it this year we're going to do it next year.
19 I'll be sitting here next year and it won't be
20 2.4 percent, which is what I'm going to
21 recommend. It will be 10 percent or 20
22 percent.

23 We have a structural deficit. And
24 it's going to continue to snowball unless we do
25 these things. And again, my final point on

1 this is just take a look at the trends. Take a
2 look at when we don't raise taxes for a number
3 of years in a row and then we get crushed. And
4 that's what will happen. At least that's my
5 fear. And again, I want to make the point that
6 this was recommended to us by the Pennsylvania
7 Economy League.

8 This was from my understanding a
9 recommendation -- original recommendation from
10 the Business Administrator to the Mayor. So I
11 think that Council has to do the responsible
12 thing. The one thing that we're doing which is
13 going to be another motion here is to restate
14 the amount of revenue that we will receive from
15 the potential sale of refuse receivables.

16 Again, when I spoke to Mr. Bulzoni,
17 this is a complicated transaction. There is no
18 guarantee that we get this money. And even if
19 we get it and even if everything works out
20 great which would be fantastic, we're still
21 going to have issues in the next year or two.
22 We still have a revenue problem.

23 So I'm going to make these motions.
24 I hope that my colleagues would agree with me
25 on this. And I think at least it gives us a

1 little piece of mind going into next year. And
2 that's all I have to say tonight. Thank you.

3 MR. ROGAN: Just as a reminder,
4 we're on the question on the first amendment to
5 amend the real estate tax amount in the budget.
6 Anyone else on the question?

7 Just two points. I know you went
8 through a lot there that I want to make. First
9 regarding the taxes, every budget has a number
10 of moving parts. This budget happens to be 137
11 pages. So there's obviously going to be some
12 items that -- or shortfall some items that come
13 in above projections.

14 I know people have had reservations
15 in years past that the budgets weren't balanced
16 and the last three years with no tax increase
17 they certainly were. This year we're on track
18 to end with a small surplus. I don't see the
19 need for tax increase currently. And the taxes
20 eventually are going to have to go up.

21 Councilman Gaughan is correct on
22 that. But with the new Mayor coming in next
23 year who has already promised tax relief, I
24 think that we should give her an opportunity to
25 propose, you know, opening the budget which

1 would be her prerogative and make any changes
2 she would like to see.

3 I don't see the need especially with
4 the timing. Taxpayers are getting hit pretty
5 hard by the school district currently. Seven
6 years ago it was the opposite way around. The
7 school district was in better shape and the
8 City was struggling. It's just tough when it's
9 from all taxing bodies at the same time.

10 I do agree with some of these other
11 amendments that we are going to go through.
12 And I will talk a little bit more. I know you
13 hit on the changing of the garbage system. But
14 I'll talk about that more when that amendment
15 comes up. Anyone else on the question on the
16 first amendment? All those in favor signify by
17 saying aye.

18 MR. DONAHUE: Aye.

19 MR. GAUGHAN: Aye.

20 ATTY. DEMPSEY: Aye.

21 MR. ROGAN: Opposed? No. The
22 motion passes.

23 MR. GAUGHAN: Thank you. I'd like
24 to make a second motion under City of Scranton
25 2020 Operating Budget, Budgeted Revenues,

1 General Fund. I'd like to amend account number
2 01.301.30706, account description from current
3 real estate tax land millage rate 232.521 mills
4 to current real estate tax land millage rate
5 239.521 mills.

6 MR. DONAHUE: Second.

7 MR. ROGAN: On the question?

8 MR. GAUGHAN: Yes, on the question,
9 I just want to take one second to explain this.
10 So as I -- again, I'm not taking these numbers
11 out of thin air here. I was going back and
12 forth over the last few days with Mr. Bulzoni
13 and the Pennsylvania Economy League.

14 So what the recommendation was was
15 to raise the millage seven points on the land.
16 So the -- Mr. Bulzoni had stated to me that
17 nominal adjustment on the land component would
18 have the least impact on the average property
19 owner. The increase is borne more by those who
20 have larger parcels which would be commercial
21 or industrial interests or those homeowners
22 with larger parcels who can likely absorb the
23 increase.

24 In effect, it offers better
25 dispersion. For example, if you have a typical

1 property with an improvement value of ten
2 thousand dollars and land value of fifteen
3 hundred dollars, the tax increase would be on
4 the land component.

5 So a 232.521 mills, the tax
6 liability on land is \$348.78. At 239.52 mills
7 which is what we're proposed here, the
8 liability is \$359.28 or an increase of \$10.50.
9 So out of all of the recommendations that were
10 given, this was the least punitive. And again,
11 I want to make the point that overall this is a
12 2.4 percent increase.

13 It's a 3 percent increase on the
14 land millage. And again, I want to state that
15 this is necessary. According to our Recovery
16 Coordinator it is necessary. If we don't do it
17 this year we're going to be doing it next year
18 and the year after that.

19 So to ignore it this year and to
20 wait for the next Mayor to come in, I think
21 that's shirking our responsibility as a
22 Council. We need to make sure that we are able
23 to sustain ourselves fiscally. And again, in
24 terms of the last few budgets 2017, 18, 19,
25 those -- you know, those might have been

1 balanced on paper. But we continue to have --
2 we're relying on one-time revenue, the sale of
3 the Sewer Authority, so on and so forth.

4 I just -- I don't make these motions
5 lightly. But I do want to drive home the point
6 to everyone that this is a recommendation from
7 our Recovery Coordinator. If we don't do it
8 this year, we're coming back next year. I'm
9 going to be sitting here in December and we're
10 going to be raising it on the people even
11 higher.

12 And the other point I want to make
13 too is, I had a chance to read a 2017 report
14 called Communities in Crisis, the Truth and
15 Consequences of Municipal Fiscal Distress in
16 Pennsylvania 1970 to 2014. And I know some
17 people sitting at home are probably saying, you
18 know, every couple years you're raising taxes;
19 when is it going to end?

20 Your expenditures go up. Your
21 revenues either stay the same or they decay.
22 They go down. The truth is that the Recovery
23 Plan the -- this whole notion of an exit plan,
24 this whole notion of Act 47 and distressed
25 status, claiming to have fixed Act 47

1 municipalities by forcing them out of the
2 program but not doing anything to repair the
3 broken system, that's the state.

4 The state has not done anything in
5 my estimation, especially after reading this
6 report for not just only Scranton but cities
7 throughout the state who continue to face these
8 problems of crisis with the pension, crisis
9 with not being able to raise enough revenue
10 year after year after year.

11 And their solution is back in 2014
12 we're going to amend Act 47. We're going to
13 give you five years. And then we're going to
14 kick you out. We don't -- the notion that the
15 City is exiting Act 47 because somehow
16 everything is going great -- although we've
17 made progress, that is just flat out false.
18 That is not -- and if you read this report, it
19 is stated in this report.

20 So I just want to make sure that I
21 state that that this is a more complex problem
22 than sometimes people make it out to be. Thank
23 you.

24 MR. ROGAN: Anyone else?

25 ATTY. DEMPSEY: Yeah, I'd like to

1 speak on the question real quick, Pat, please.
2 I thought about this long and hard because this
3 is, in fact, a difficult decision. And I'm
4 going to use some notes. Usually I speak
5 spontaneously. But there's a lot going on with
6 this budget so I created some notes if anybody
7 sees me peeking down at them.

8 And I decided that the real question
9 to me is why would I keep this City in recovery
10 for years and years and years and then just
11 about when we're ready to exit successfully
12 suddenly ignore PEL's advice.

13 And I sat down at that table less
14 than six days ago directly across from Jerry
15 Cross and Matt Domines. And it couldn't have
16 been more clear to me that they were
17 recommending a 2.4 percent tax increase. And
18 the terms Jerry kept using were Scranton is
19 experiencing revenue decay versus expenditure
20 growth, which I think in layman's terms is our
21 revenue is decreasing and our expenses are
22 increasing.

23 And, you know, Bill is right. They
24 gave us a chart that to me answers any
25 questions I may have had about the soundness or

1 the wisdom behind this because you look back at
2 the years passed when we had zero, zero, zero
3 tax increases, 2008, 2009, 2010. And it sounds
4 amazing and it looks good on paper.

5 And then in 2011 they actually went
6 down 11 percent. Well, that sounds great too.
7 But there's a natural repercussion to that
8 action when our expenditures keep increasing.
9 And then we got through the next three years in
10 2012 it went up by 5 percent. In 2013 it went
11 up by 22 percent. And 2014 it went up 57
12 percent.

13 That type of an increase is
14 appalling to most of our residents and very
15 difficult for most of our households to manage.
16 I understand that. So for the average
17 taxpayer, I'd rather do 2.4 this year as
18 recommended by PEL, which again, Mr. Gaughan
19 said has been told to us will be about 10.50 a
20 household or less than one dollars a month than
21 make some sort of unrealistic or unsustainable
22 double-digit increase in years to come.

23 In voting yes, I also believe that
24 I'm looking out for the most vulnerable amongst
25 us, which means a lot to me, the elderly, the

1 disabled, the single parents, one-income
2 households, those who are economically
3 disadvantaged or going through difficult times
4 due to layoff, sickness, or any other reason
5 who are struggling.

6 I do not want to create a situation
7 where tax increase is a true hardship for these
8 people our most vulnerable resident who may be
9 struggling to pay their taxes or even to save
10 their homes. And that's going to happen next
11 year or the year after if we don't enact the
12 2.4 percent this year.

13 In making the decision I'm reminded
14 of something my dad told me a long time ago.
15 "The right decision is not always an easy one
16 and it's certainly not always a popular one."
17 But I am going to vote in favor of Mr.
18 Gaughan's amendments after much thought and
19 deliberation.

20 The decision is based on the facts
21 and figures and the statistics as provided by
22 PEL on the opinions of Jerry Cross and Matt
23 Domines of PEL who have guided us through the
24 recovery to this point where we are now
25 successfully looking forward to leaving Act 47

1 in the summer of 2020.

2 Because this decision will hopefully
3 have only a small and minimal financial impact
4 on most households throughout the City that it
5 will be more than bearable, I do believe that
6 it's in the best interest of our City to make
7 this decision at this time.

8 MR. ROGAN: Anyone else? All those
9 in favor signify by saying aye.

10 MR. DONAHUE: Aye.

11 MR. GAUGHAN: Aye.

12 ATTY. DEMPSEY: Aye.

13 MR. ROGAN: Opposed? No. It
14 passes -- motion two passes.

15 MR. GAUGHAN: Okay, motion number
16 three would be I'd like to amend account number
17 01.380.38870, Sale of Assets to decrease from
18 2,256,796.05 to 1,520,823.89.

19 MR. DONAHUE: Second.

20 MR. ROGAN: On the question?

21 MR. DONAHUE: On the question, this
22 is the number that concerns me the most because
23 it is a one-time revenue source. So we tried
24 to -- in conversations over the weekend talking
25 about these amendments was trying to lower this

1 number so that even if we get in more than what
2 we're budgeting, good.

3 But then that's less than what we
4 have to fill into going into next year. You
5 know, if we were to keep it at that 2.25
6 number, we would be looking at probably 12 to
7 13 percent tax increase just off the top just
8 to fill in that two -- next year just to fill
9 in that 2.2 million.

10 But by lowering it, you know, we
11 might only be starting off about a 6 and a
12 half, 7 percent, you know, but that's also with
13 getting the new administration coming in, you
14 know, hopefully some leeway to bring that
15 number down then too. But it's getting into
16 these one-time revenue sources that gets you
17 into trouble because that's where you start
18 creating those structural deficits.

19 If you look at what happened down
20 the street with the school district is they
21 just constantly, constantly use one-time
22 revenues and then it got to the point where it
23 just couldn't be replaced. So I think lowering
24 this number was an important part of getting me
25 to support these amendments. And that's why

1 I'm going to be doing that. That's all I have.

2 MR. ROGAN: Anyone else? Briefly on
3 this one, I actually oppose this one more than
4 the others believe it or not. I understand
5 what Councilman Donahue is saying. And it is a
6 one-time revenue source. So if you oppose the
7 one-time revenue source just take it out
8 entirely then.

9 The City has already had a
10 commitment prior to putting out any RFPs for
11 the sale of the receivables in excess of the
12 2.2 million dollars that is being put in the
13 budget. And the reason I so strongly support
14 this change is not so much a budgetary issue.

15 But it's in reference to our whole
16 garbage billing system to begin with. The
17 current system is broken. The fact of sending
18 out \$300 bills and then 60 percent of people
19 pay them, 40 percent don't. It's not working.
20 Are there issues with changing to any sort of
21 other system, of course, there's going to be.

22 I think putting it in the tax bill
23 and spreading it across more people at a lower
24 rate is the right approach. Again, that's
25 something that we're going to have to debate at

1 length next year. But in order to fill the gap
2 from moving from the current system to the new
3 system, selling what's owed I think is a smart
4 solution.

5 The current system isn't working.
6 With Northeast Revenue all the issues we've had
7 there, the issues of big-time landlords not
8 paying bills at all. If it's lumped into the
9 taxes and you don't pay it, you get a tax sale.
10 So you have to pay it just like you have to pay
11 your property taxes.

12 And that's been the issue with the
13 refuse that people have looked at it as a --
14 something that they -- whether they want to pay
15 it or not, some people just throw it in the
16 garbage and just figure, well, I'm never going
17 to sell my house. They can't come after me
18 until the house is sold which unfortunately
19 with lien system is true.

20 So again, in regards to the budget,
21 I think the budget number is actually
22 conservative to begin with at the 2.2 million.
23 Moving it to 1.5 in my opinion actually creates
24 an even bigger surplus in the budget next year
25 if the assets are sold. If the assets are not

1 sold, then you're still left with a 1.5 million
2 dollar deficit.

3 So I think this amendment is a
4 middle ground which you really can't go either
5 way with it. I could understand taking it out
6 of the budget entirely and say we're just not
7 going to sell it. And I could understand the
8 other end of it saying well, we're going to
9 change systems.

10 But I think this kind of straddles
11 the middle between both. And I don't think
12 it's going work either way. Anyone else? All
13 those in favor signify by saying aye.

14 MR. DONAHUE: Aye.

15 ATTY. DEMPSEY: Aye.

16 MR. GAUGHAN: Aye.

17 MR. ROAN: Opposed? No. Motion
18 three passes.

19 MR. GAUGHAN: I'd like to also make
20 an amendment to amend Mayor's Offices account
21 number 4040-01.010.000000.4040 Other Salary
22 from \$35,000 to zero dollars.

23 MR. DONAHUE: Second.

24 MR. ROGAN: On the question?

25 MR. GAUGHAN: Yes, I just want to

1 explain this as well. And it's going to be the
2 same for the next few. One of the things that
3 was done in this budget that I don't agree with
4 is creating positions but not really creating
5 them.

6 So what the administration had done
7 was apparently they were going to create a
8 Chief of Staff position for the Mayor's Office.
9 But it's not a line item in the budget. The
10 money is located in the other salary. So I
11 don't know if we received a job description for
12 that. I know we received some tonight. I
13 haven't had a chance to go through it yet.

14 But my concern with leaving the
15 money -- and I've had this conversation with
16 the administration in the last few days --
17 leaving it the other salary sets a precedent
18 that we just -- we don't have a check and a
19 balance anymore as a City Council.

20 We're giving the administration free
21 rein maybe create it, maybe move it around,
22 maybe give somebody a raise with it. There's
23 just too much -- there's too much wiggle room
24 to me. So my concern would be that again, we
25 would set precedent if you're going create the

1 position, create it. Put it in the budget.
2 Give us a job description. And then I would
3 love to make a decision on it.

4 But until that happens, I'm going to
5 make several amendments now to take the Other
6 Salary down and if the position is going to be
7 created in future just put it in the budget.

8 ATTY. DEMPSEY: Yes, I'd like to
9 speak to this as well. I agree with those
10 amendments although partially for different
11 reasons, partially for the same reason. When
12 we attended our public caucus again, six days
13 ago, this is part of the area of law where I
14 practice which is Best Employment Practices.

15 And one of my pet peeves here is the
16 fact that there are no job descriptions.
17 Because the fact of the matter is, I'm not
18 against some of these jobs. But no one saw fit
19 to provide me with any job description
20 rationale or reason, although I must edit that
21 because today at noon one job description
22 appeared in my box.

23 To me, the days of creating jobs
24 that have no responsibility or no
25 accountability are over. Job descriptions

1 assist employees in knowing what is expected of
2 them. Job descriptions assist in performance
3 evaluations. And they assist in managing
4 employees and issuing discipline if needed.

5 They also give the public confidence
6 that when a job is being created and funded
7 with public dollars that it's a real job that
8 it is needed that it would be managed
9 appropriately. And to me, this should be the
10 official end of no work jobs.

11 Going forward I am insisting on
12 culpability and responsibility. The same old
13 status quo in this area is no longer good
14 enough for me. And I know it's not good enough
15 for many others including you guys sitting down
16 there and many of the gentlemen sitting up
17 here.

18 What I will not do is approve jobs
19 that have no accountability associated with
20 them, no definable tasks or no essential
21 functions. Therefore, it is incumbent on me to
22 agree with Mr. Gaughan's motion to amend and to
23 remove these jobs from the budget. I also
24 agree with a comment that Mr. Gaughan made at
25 the meeting that by creating these jobs in the

1 budget, kind of these no name jobs, it does
2 also take away the appropriate checks and
3 balance functions of Council which as we all
4 know now more than ever is needed. And so for
5 that reason, I'll be agreeing and voting for
6 the amendment.

7 MR. ROGAN: Anyone else? I'm going
8 comment on this one and next three actually all
9 at once. I will be voting for the next four
10 amendments. I agree with what my colleagues
11 have mentioned. And again, as I mentioned
12 earlier, we do have a new Mayor coming in in
13 January.

14 If she wants to open the budget and
15 make changes at that time she has that
16 prerogative to do so and send that down to
17 Council for a vote. I do agree with the idea
18 of just putting a number in the budget and
19 saying well, they could do with it what they
20 want isn't the right way to run a city,
21 particularly the fact on this one and
22 specifically the idea of a Chief of Staff for
23 the Mayor keeps being floated around.

24 And a salary number of \$35,000 was
25 put in there. You're not getting a Chief of

1 Staff for a large city for \$35,000. It just
2 doesn't make sense. And finally because I'm
3 going to wrap these all into one. On the last
4 amendment we're going deal with the idea of a
5 Public Safety Director. That's been done in
6 the past. I don't think it worked.

7 Again, if the new Mayor wants to
8 propose those types of changes, that's going to
9 be up to her to open the budget and send it
10 down to Council and we can debate those at the
11 time. But I will be voting yes for the next
12 few amendments. All those in favor signify by
13 saying aye.

14 MR. DONAHUE: Aye.

15 MR. GAUGHAN: Aye.

16 ATTY. DEMPSEY: Aye.

17 MR. ROGAN: Aye. Opposed? The ayes
18 have it and motion four passes.

19 MR. GAUGHAN: I'd like to amend DPW
20 garages account number 404-01.080.00085.4040
21 Other Salary from \$45,000 to zero dollars.

22 MR. DONAHUE: Second.

23 MR. ROGAN: On the question?

24 MR. GAUGHAN: On the question, with
25 this one I believe it was for a second shift

1 mechanic, which I'm not really against. But
2 again, as I mentioned to Mr. Bulzoni, it has to
3 be put in the budget.

4 And he actually I believe yesterday
5 or sometime this weekend agreed with me that
6 really these should have been put in the
7 budget. So this will have to wait until next
8 year.

9 MR. ROGAN: Anyone else? All those
10 in favor signify by saying aye.

11 MR. DONAHUE: Aye.

12 MR. GAUGHAN: Aye.

13 ATTY. DEMPSEY: Aye.

14 MR. ROGAN: Aye. Opposed? The ayes
15 have it and motion five passes.

16 MR. GAUGHAN: I'd like to amend the
17 Single Tax Office account number
18 4040-01.090.00000.4040, Other Salary from
19 \$45,000 to zero dollars.

20 MR. DONAHUE: Second.

21 MR. ROGAN: On the question?

22 MR. GAUGHAN: This was a position
23 that was going to be created I believe if the
24 Single Tax Office received the responsibility
25 of collecting the Payroll Preparation Tax.

1 Again, it's way too arbitrary. Either it's in
2 there or it's not. And we don't even know if
3 they're definitely going to collect the Payroll
4 Preparation Tax. So that's the reason that I
5 made that amendment. Thank you.

6 MR. ROGAN: Anyone else? All those
7 in favor signify by saying aye.

8 MR. DONAHUE: Aye.

9 MR. GAUGHAN: Aye.

10 ATTY. DEMPSEY: Aye.

11 MR. ROGAN: Aye. Opposed? The ayes
12 have it and motion six passes.

13 MR. GAUGHAN: I'd like to amend the
14 Fire Department account number
15 4040-01.0111.00078.4040, Other Salary from
16 \$250,000 to \$205,000.

17 MR. DONAHUE: Second.

18 MR. ROGAN: On the question?

19 MR. GAUGHAN: On the question,
20 there's such a large amount in here because of
21 some other things that actually should be in
22 there like I believe retire incentive and
23 something else Mr. Bulzoni had mentioned to me.

24 The position was originally budgeted
25 at \$45,000 for I believe a Public Safety

1 Manager or Public Safety Director. Again, I
2 don't necessarily disagree with that position.
3 But we don't know enough about it. So I really
4 can't, you know, make an educated decision on
5 it. So that's the other reason that I took
6 that out.

7 MR. ROGAN: Anyone else? All those
8 in favor signify by saying aye.

9 MR. DONAHUE: Aye.

10 MR. GAUGHAN: Aye.

11 ATTY. DEMPSEY: Aye.

12 MR. ROGAN: Aye. Opposed? The ayes
13 have it and motion seven passes. If anyone
14 wishes to speak specifically on the proposed
15 amendments to the budget prior to the final
16 vote you may do so at this time. I think we
17 can allot two minutes per speaker.

18
19 (The following spoke on amendments:
20 Joan Hodowanitz
21 Marie Schumacher
22 Dave Dobrzyn)

23
24 MR. ROGAN: What is recommendation
25 of the Chair for the Committee On Finance?

1 ATTY. DEMPSEY: As Chairperson for
2 the Committee on Finance, I recommend a final
3 vote of Item 7-D as amended.

4 MR. DONAHUE: Second.

5 MR. ROGAN: On the question?

6 MR. DONAHUE: Yes, on the question,
7 I agree with everything that Joan said. I
8 would just like to add to expand the revenue I
9 think we need help from two -- to expand our
10 tax revenue and our tax base, I think we need
11 help from two governing bodies, one being the
12 county in terms of reassessment.

13 And the second being the State of
14 Pennsylvania because if you read the report
15 that Mr. Gaughan brought up before, it outlines
16 how although we're leaving Act 47, distressed
17 status, we're no better off than we were. And
18 that's because of Pennsylvania's antiquated
19 laws on how municipalities across the state are
20 able to function.

21 MR. ROGAN: Anyone else?

22 ATTY. DEMPSEY: Yes, I do have some
23 comments. And again, bear with me they're a
24 little bit longer than probably most people
25 would like. But it's my first year voting on

1 the budget and it was a one hundred and what,
2 30 or 40 page document.

3 Quickly on the procedure since it
4 was the first time I had seen this process, I
5 was very glad to see that Council spent time
6 and energy preparing ten pages of what I
7 thought were good solid questions. Trust me,
8 we had more. But we decided to just put forth
9 the ones we felt were the best ones and the
10 ones that would help us obtain the most
11 information on the budget and the ones that
12 would guide our decision making process.

13 My concern is the answers to those
14 questions were put into our mailboxes one half
15 hour before we sat down to caucus with PEL and
16 other members of the administration. I've
17 never been a game player. And to me, we're all
18 here in the best interest of the City and its
19 residents.

20 But that process threw me off a
21 little bit. I would have liked to have seen
22 them in advance. I also want to make it clear
23 to everyone that while my background is not in
24 finance, I as well realize a budget is a moving
25 document. It's subject to change. And it's

1 malleable.

2 And for the most part, you're
3 predicting the future based on past
4 performance. And Mr. Bulzoni consistently said
5 plan, execute, and adjust are the tenants of
6 creating a budget. And I want to say that I
7 understand that. But a little bit more on the
8 process, two weeks ago on our Monday meeting
9 we asked for a plan B.

10 And I have to be candid. I was
11 hoping this was where we were all going to come
12 to an agreement. To me, plan B was where we
13 can maybe meet in the middle. We could all
14 unanimously present the administration and
15 Mayor-elect Cagnetti in 2020 with a workable
16 budget with a united front.

17 Rest assured, I want to choose
18 optimism over pessimism. And I want to choose
19 faith in the future over fear of the past. But
20 I do believe the administration and the Council
21 owe a duty to the public to try to come
22 together. But we never did receive that plan B
23 despite our timely request. And that as well
24 made me wonder.

25 Now, relative to the merits on the

1 budget, I'll go over these quickly. Most of
2 them have already been simultaneously covered
3 by my councilmates. I share in some of the
4 concerns regarding the revenue sources. The
5 potential sale of the trash fee delinquents, I
6 think that's a little speculative, which by the
7 way, I still remain opposed to that on an
8 equitable basis.

9 I don't know the timing of that. I
10 know some people have called that a very
11 complicated process. I'm concerned if any of
12 the moving parts related to that don't work
13 that we're going to be out a couple million
14 dollars. And while it sounds nice, I share
15 concern about the alleged reduction in the
16 trash fee itself.

17 I'm concerned about the timing of
18 reduction of the trash fee. And I'm concerned
19 about the addition of the trash fee to the
20 property tax bill. I'm not opposed to it. I
21 just really don't think sitting here right now
22 I have been provided enough information on the
23 logistics of it.

24 And most importantly, though I feel
25 this budget is very well intentioned -- and

1 again, I commend Mayor Evans for what he's
2 accomplished in five months and his dedication
3 and commitment to the City, I'm not 100 percent
4 sure that the trash fee was well thought out in
5 terms of execution.

6 And I reiterate what Mr. Gaughan has
7 repetitively said how we can ask a commercial
8 entity or business to pay \$250 in a trash fee
9 when they may already be paying for private
10 hauling. We're doing our best to change the
11 Business Privilege and Mercantile Tax which has
12 consistently been called archaic to the Payroll
13 Tax. And now all of a sudden, we're throwing
14 one more thing at businesses that might want to
15 lead them out of the City.

16 And the next issue is the homeowner.
17 How do you say to a homeowner you owe us 250,
18 but the three in the house next door owes the
19 same amount and they'll obviously be putting
20 out triple the garbage. So I do have concerns
21 in the back of my head about those issues.

22 I am confident however, in the
23 transfer from the Business Privilege Mercantile
24 to the Payroll Tax. I also remain an ardent
25 advocate of that. And I do believe that that

1 will come to fruition and will assist our City
2 businesses sometime next year.

3 Now, I just really want to briefly
4 go over one small example of what has kind of
5 driven me crazy professionally about this
6 process because I'm a person who relies on
7 documentation a lot in making decisions.
8 Someone in IT or the IT Department had asked us
9 for a car.

10 And I thought we had rightly written
11 back to them and said, well, listen, do we pay
12 mileage to the employees? If we do, can we
13 have their job descriptions? And if we do pay
14 mileage, can you send us copies of all the
15 mileage bills? Because to me, that's a simple
16 analysis.

17 If we're paying a certain amount in
18 mileage each month, is it more or less than
19 what it would cost to buy or lease a car?
20 Again, we got no documents back. So I don't
21 know if records aren't being kept or if records
22 are being kept and they just don't want me to
23 see them.

24 But nonetheless, those types of
25 things would have went a far way in helping me

1 make educated decisions. On a separate issue
2 we asked for a legal opinion that gave me and
3 some others some cause for concern. It's not
4 proper to talk about it outside of an executive
5 session.

6 But it is proper to say that no
7 legal opinion was ever provided to us despite
8 my written request for one. And I made it very
9 clear that I would want that prior to voting.
10 But as Mr. Gaughan had alluded to earlier, my
11 final tipping point came with regard to rising
12 health insurance costs.

13 And to be very candid with
14 everybody, prior to sitting at this table six
15 days ago with PEL and prior to them explaining
16 to me what I thought was very credibly why we
17 needed a 2.4 tax increase, I was just going to
18 vote no on the budget altogether because I was
19 so taken aback by the healthcare costs.

20 Let me preface this so I'm
21 abundantly clear. I do not deny anyone, any
22 City employee or any union employee the right
23 to healthcare coverage. Do not think that is
24 my issue here because it is not. As most of us
25 know, the City is self-insured. And I ended up

1 doing my own numbers. And I went back three
2 years.

3 In 2018, total healthcare costs
4 budgeted were -- I rounded these off --
5 16,123,000. In 2019, total healthcare costs
6 budgeted was 16,888,000. This year total
7 healthcare cost budgeted are up to 18,644,000.
8 So we're up 1,700,000 from one year ago and
9 we're up 2.5 million from two years ago. And
10 when I went back and I read the explanations in
11 the budgets, they basically said that they
12 underbudgeted each year.

13 Now, I'm not unreasonable. I
14 understand that catastrophic health events
15 occur and I understand that people want and
16 deserve the best medical treatment available.
17 Rest assured, I have no objection to that. But
18 what I can't and won't accept is a simple
19 answer that we underbudgeted.

20 We sit up here in a fiduciary role
21 as a projector and as a watchdog of the
22 public's money. And again, those answers just
23 simply are not good enough for me. I expect
24 more. I want more. And the City deserves
25 better. I want someone or some entity looking

1 at these healthcare costs daily, weekly,
2 monthly, quarterly or annually.

3 As I said to the gentleman seated at
4 this table last Wednesday, this is an area
5 where I do maintain some element of expertise.
6 My firm works with private and public companies
7 every day to try and control healthcare costs.

8 And with all due respect, it's not
9 fair to blame the unions or the Collective
10 Bargaining Agreements. If I had a dollar for
11 every time I heard that in the last five months
12 I'd be rich. A Collective Bargaining Agreement
13 is a contract between two parties negotiated at
14 arm's length.

15 Key word being negotiated. It is
16 then up to each party to enforce the respective
17 rights. I do not believe the City has
18 adequately managed healthcare costs. And if
19 they have, no one has provided me with any
20 affirmative written evidence of the same even
21 though I specifically asked for it.

22 We should have an aggressive third
23 party health insurance consultant, someone who
24 provides the Administration, the Controller and
25 Council with an audit, a review and an

1 analysis, someone who could come in here and
2 can mandate creative solutions and some
3 ingenuity to give the City ideas on how to
4 control these costs.

5 My firm deals with these consultants
6 all the time and they're worth their weight in
7 gold. You've heard me speak previously about
8 grant writers and how they could pay for
9 themselves. Note, that's one other thing. I'd
10 like to have a grant writer in this budget but
11 that didn't happen.

12 These healthcare consulting
13 companies or singular healthcare consultant can
14 pay for themselves as well. The savings can be
15 significant and they could long-term. And,
16 yes, they can be done within the confines of a
17 Collective Bargaining Agreement.

18 When I asked for copies of the
19 written reports authored by our healthcare
20 consultant, I was advised via e-mail quote,
21 that someone provides the rationale of the
22 range of healthcare costs and they do not
23 generate any reporting or spreadsheets, end
24 quote.

25 I must repeat. That is not good

1 enough for me. And it was not good enough in
2 the past. And it should not be good enough
3 anymore. I raise right now as a red flag that
4 the unsustainable rise of healthcare costs in
5 this City appears to me to be wholly unmanaged,
6 appears to go unanalyzed and appears to be
7 rubber stamped each year without analysis and
8 it's wholly unacceptable.

9 I've not been provided with one iota
10 of documentation to show me that these costs
11 have been reviewed, analyzed or examined in
12 writing by a third party healthcare consultant,
13 someone who's an expert in this area who could
14 think innovatively who could help Scranton
15 contain these costs, contain them now and who's
16 also simultaneously dedicated to protecting the
17 rights of our employees at the same time.

18 MR. ROGAN: Attorney Dempsey, I
19 don't want to cut you off. But ECTV just asked
20 if we can take a two-minute break so they can
21 change the disk.

22 ATTY. DEMPSEY: Sure.

23 MR. ROGAN: I was trying to find a
24 good spot.

25 (A short recess was taken.)

1 ATTY. DEMPSEY: I'm almost done. I
2 want to repeat, in conclusion that I weighed my
3 decisions on this budget heavily. I looked at
4 the pros and the cons. And I did a risk
5 benefit analysis. And I studied the budget and
6 the numbers very carefully especially with
7 respect to the 2.4 percent tax increase
8 because, you know, for me it would be very easy
9 of all the people to take the easy way out and
10 to walk out of here with only 27 days left and
11 only a few meetings to vote on the taxes and to
12 let what is going to happen to the City happen
13 and not on my watch.

14 But, ladies and gentlemen, I refuse
15 to do that. I refuse to be that person. It's
16 not who I am or what I stand for. I'm here and
17 I'm in this seat because people trusted me and
18 they trusted me to do the right thing at all
19 times. And I refuse to let people down by
20 taking the easy way out.

21 My votes tonight are made with my
22 intellect and my conscience and with the
23 mandate that I sit here in a fiduciary role for
24 the taxpayers of the City. Thank you.

25 MR. GAUGHAN: I just want to add one

1 thing, Mr. Rogan. One thing that I hope people
2 don't forget is in regard -- and Attorney
3 Dempsey just sparked my memory. In terms of
4 converting the refuse bill into the real estate
5 tax bill, this is all being done under the
6 umbrella of major litigation in terms of the
7 trash fee, the class action lawsuits.

8 So there's another concern that I
9 had about this. So I just want people to keep
10 that in mind as well.

11 MR. ROGAN: And just on that point
12 and I won't belabor it. But I'm just of the
13 belief on the trash fee that the system is
14 completely broken. And we have to do something
15 different. Much more discussion on that in the
16 next couple years. Anyone else? Roll call,
17 please.

18 MS. CARRERA: Mr. Donahue.

19 MR. DONAHUE: Yes.

20 MS. CARRERA: Attorney Dempsey.

21 ATTY. DEMPSEY: Yes.

22 MS. CARRERA: Mr. Gaughan.

23 MR. GAUGHAN: Yes.

24 MS. CARRERA: Mr. Rogan.

25 MR. ROGAN: No. I hereby declare

1 Item 7-D as amended legally and lawfully
2 adopted.

3 MS. REED: 7-E. Previously tabled.
4 FOR CONSIDERATION BY THE COMMITTEE ON COMMUNITY
5 DEVELOPMENT FOR ADOPTION RESOLUTION NO. 183,
6 2019 AUTHORIZING THE MAYOR AND OTHER
7 APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER
8 INTO A CONTRACT WITH SPECK AND ASSOCIATES AND
9 BARRY ISETT AND ASSOCIATES, SPECK/ISETT
10 PARTNERSHIP FOR THE CITY OF SCRANTON DOWNTOWN
11 SCRANTON CONNECTIVITY PLAN.

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

15 MR. DONAHUE: As Chairperson for the
16 Committee on Community Development, I recommend
17 a final vote of Item 7-E.

18 ATTY. DEMPSEY: Second.

19 MR. ROGAN: On the question?

20 MR. GAUGHAN: On the question. I
21 don't disagree with what the Mayor is
22 attempting to do. I think walkability and
23 connectivity is a good thing. However, in this
24 specific case, we're going with a bidder -- a
25 company -- now two companies together who has

1 bid much higher than the next lowest.

2 So to me in a City that's
3 distressed, we should always try to go with the
4 lowest bidder. So I cannot -- I agree with the
5 thought. But I cannot vote for this based on
6 the amount of money we're spending in terms of
7 where they stand on their proposal. So I'll be
8 voting against it.

9 ATTY. DEMPSEY: I as well would like
10 to make a comment on this. I had concerns
11 about this from the very beginning basically
12 due to the cost that's involved. And because I
13 had those concerns, I've sat down with the
14 Mayor no less than two times personally and
15 I've spoken to him on the phone no less than
16 two times as well.

17 After speaking with him but also
18 again after using my own independent judgment,
19 I think this is more forward thinking than we
20 think it is. I think it's environmentally
21 conscious what I like. I was speaking to
22 someone at a cocktail party the other night.

23 And he said, Mary, I have four kids
24 between the ages of 20 and 30. And their sole
25 issue for voting in the presidential race is

1 the environment. And I think that's important
2 to a lot of people. And I think that this
3 connectability study will be helpful in that
4 regard.

5 I also think it could be helpful for
6 the economy to the extent that in the event we
7 can connect up Lackawanna out into West Side,
8 down South Washington Avenue into South Side,
9 up near the hospitals, etc., I think students
10 from the medical school, maybe students from
11 the colleges will start to live in those
12 further off areas and use their bicycles to
13 ride to these places.

14 So I'm hoping maybe it will induce
15 addition rentals and I'm hoping maybe it will
16 induce further purchases. And with regard to
17 the money, I had said before I think it was
18 either in caucus or sitting up here, Mayor
19 Evans had told me that most of that money is
20 coming from money that was set aside from grant
21 proceeds.

22 I believe it's about 190 or 195,000.
23 But more recently he contacted me and told me
24 that the University of Scranton also entered
25 into a community partnership with us. And they

1 will be giving us \$25,000 towards this study.
2 So when I put all of those things together and
3 when I look at this under a totality of the
4 circumstances approach, I do think it is in the
5 best interest of the City.

6 I think it's forward thinking. I
7 always like to think what could this lead to
8 five or ten years down the line. And I think
9 this will have a very positive impact on the
10 City. And I'm going to be voting in favor of
11 it.

12 MR. ROGAN: Anyone else?

13 MR. GAUGHAN: Yes, I just want to
14 make one more comment. The one thing that
15 confused me about this whole process is the
16 proposal that we'll be voting on is going to
17 cost -- and I realize there is grant money
18 involved here. But it's going to cost
19 \$218,000.

20 The lowest proposed was \$90,050. So
21 there is a large difference in terms of dollars
22 there. What confuses me is the narrative that
23 was presented by the administration. They find
24 no distinct cost advantage in recommending the
25 Speck/Isett partnership. All the firms

1 submitting are qualified.

2 So to me, if they're all qualified
3 and there's no distinct cost advantage, then
4 why not go with the lowest bidder? That's one
5 of the reasons -- I agree with what Attorney
6 Dempsey is saying. And I think this is a good
7 project.

8 I still for the life of me can't
9 figure out why they just don't go with the
10 lowest bidder here. And that's the reason I
11 have to vote against this.

12 MR. ROGAN: Anyone else? Roll call
13 please.

14 MS. CARRERA: Mr. Donahue.

15 MR. DONAHUE: Yes.

16 MS. CARRERA: Attorney Dempsey.

17 ATTY. DEMPSEY: Yes.

18 MS. CARRERA: Mr. Gaughan.

19 MR. GAUGHAN: No.

20 MS. CARRERA: Mr. Rogan.

21 MR. ROGAN: Yes. I hereby declare
22 Item 7-E legally and lawfully adopted. If
23 there's no further business, I'll entertain a
24 motion to adjourn.

25 ATTY. DEMPSEY: Motion to adjourn.

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MR. ROGAN: This meeting's
adjourned.

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.

8
9
10 _____
11 Maria McCool, RPR
12 Official Court Reporter
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25 the certifying reporter.)