1	SCRANTON CITY COUNCIL MEETING
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5	HELD:
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7	Thursday, October 10, 2013
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9	LOCATION:
10	Council Chambers
11	Scranton City Hall
12	340 North Washington Avenue
13	Scranton, Pennsylvania
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24	CATHENE S. NARDOZZI, RPR - OFFICIAL COURT REPORTER
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CITY OF SCRANTON COUNCIL: JANET EVANS, PRESIDENT FRANK JOYCE, VICE-PRESIDENT ROBERT MCGOFF (Not present) PAT ROGAN JOHN LOSCOMBE NANCY KRAKE, CITY CLERK JAMIE MARCIANO, ASSISTANT CITY CLERK BOYD HUGHES, SOLICITOR 

1	(Pledge of Allegiance recited and
2	moment of reflection observed.)
3	MS. EVANS: Roll call, please.
4	MS. MARCIANO: Mr. McGoff.
5	MR. MCGOFF: Here.
6	MS. MARCIANO: Mr. Rogan.
7	MR. ROGAN: Here.
8	MS. MARCIANO: Mr. Loscombe.
9	MR. LOSCOMBE: Here.
10	MS. MARCIANO: Mr. Joyce.
11	MR. JOYCE: Here.
12	MS. MARCIANO: Mrs. Evans.
13	MS. EVANS: Here. Dispense with the
14	reading of the minutes, please.
15	MS. KRAKE: THIRD ORDER. 3-A.
16	AUDIT STATUS REPORT RECEIVED FROM ROBERT
17	ROSSI
18	& COMPANY DATED OCTOBER 3, 2013.
19	MS. EVANS: Are there any comments?
20	If not, received and filed.
21	MS. KRAKE: 3-B. BREAKDOWN OF THE
22	ELIGIBLE SALARIES FOR THE LIQUID FUELS
23	ACCOUNT FOR THE MONTHS OF JULY, AUGUST, AND
24	SEPTEMBER, 2013 IN A REPORT RECEIVED FROM
25	THE CONTROLLER'S OFFICE.

1	MS. EVANS: Are there any comments?
2	If not, received and filed.
3	MS. KRAKE: 3-C. REPORT RESULTS OF
4	TAX ASSESSOR'S HEARING HELD ON SEPTEMBER 18
5	2013.
6	MS. EVANS: Are there any comments?
7	If not, received and filed.
8	Do we have any Clerk's notes
9	tonight, Mrs. Krake?
10	MS. KRAKE: No, Mrs. Evans.
11	MS. EVANS: Thank you. Do any
12	council members have announcements at this
13	time?
14	MR. LOSCOMBE: I do have I guess
15	I'll read it now rather than during motions
16	This is for immediate release, and this is
17	the Firefighters Coats for Kids Foundation.
18	The Scranton Firefighters in each community
19	to warm the hearts of children. The
20	Scranton Firefighters' Association invites
21	the community to join them to help provide
22	new winter coats to warm the hearts, minds
23	and bodies of children in need. The
24	fundraising campaign is lead by Scranton
25	Firefighters Local 60 to provide at risk

children in Scranton with brand new American made coats for the winter.

This is the first year the Scranton Firefighters have joined forces with national nonprofit operation WARM to launch the program Firefighters Coats for Kids, a movement lead by firefighters across the United States to combat the effect of childhood poverty while saving American jobs. Each \$32 donation will provide a brand new American made winter coat for a child at John Adams Elementary in Scranton where nearly 90 percent of the students live at a degree of federal poverty level.

Local 60 has been working hard to give back to these children said Chuck
Bartola, secretary of Local 60. We hope to gain support from everyone in the community to make this winter a special one. Scranton Firefighters hope to continue collecting donations through Friday, October 4. By nature of our service to the community we see how poverty effects these children, stated Bartola. Keeping them warm and safe throughout the winter is the least we can

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Scranton firefighters hope to raise at least \$6,400 to provide new winter coats to over 200 children. Just before the Pennsylvania cold sets in firefighters will surprise the students at John Adams Elementary with their bright new coats personally fitting each child and helping them to write their names in the interior tag that reads "Made Especially for You."

> This is a program that strengthens communities and the overall well-being of the children stated Carie Poliquest, executive director of Operation Warm. A new coat boosts a child self-esteem and allows families to stretch limited financial resources to other basic necessities such as food and shelter.

> To donate to the Scranton Firefighter Coats for Kids the website is www.operationwarm.org/Scranton. Operation Warm is dedicated to provide new winter coats to US children in need and has reached more than 1.2 million children since 1998.

The International Association of

1	Firefighters represents over 300,000
2	professional firefighters who are dedicated
3	to serving their communities beyond their
4	traditional call of duty.

In 2012, Operation Warm joined together with the International Association of Firefighters to form a widespread high impact program called Firefighters Coats for Kids. The collaboration of these two organizations deepens the reach in support of our efforts as firefighters protecting those in need and protecting the communities across the U.S.A. and has become the face of this mission and a catalyst for a multi-dimensional program that not only provides coats to impoverished children, but also helps Americans get back to work and out of poverty.

So anyone that's interested in helping with this program or making a donation, I'll give you the websites again, www.operationwarm.org; www.firefighterscoatsforkids.org, and I believe that's it. So I would hope your generosity will show for our children in

1	Scranton and help the firefighters. Thank
2	you.
3	MS. EVANS: Councilman McGoff is
4	unable to attend tonight's meeting and we
5	hope he has a speedy and full recovery.
6	Mrs. Krake?
7	MS. KRAKE: FOURTH ORDER. CITIZENS'
8	PARTICIPATION.
9	MS. EVANS: No one has signed our
10	speaker sheet this evening. Is there anyone
11	who cares to address council?
12	MR. DOBRZYN: Dave Dobrzyn, resident
13	of the Scranton. Good evening, members of
14	council.
15	MS. EVANS: Good evening.
16	MR. LOSCOMBE: Good evening.
17	Mr. DOBRZYN: Today in the paper
18	they had more of our problems with our
19	finances and I know that PEL seems to think
20	it's a good idea to sell the Sewer Authority
21	and seeing that they think it's a good idea
22	maybe it's not. It's something that is just
23	some food for thought. An excellent
24	documentary is available at the Scranton
25	Library, it's called the corporation and it

1 outlines all of the various dirty deeds that 2 corporations pull and water companies is one 3 of them. 4 And, for instance, during World War II, IBM Corporation calibrated on a monthly 5 basis the punch cards machines at the 6 7 concentration camps as the who was to be 8 terminated. Exxon Mobile or Standard Oil 9 sold oil supplies to the Wehrmacht German 10 Army up until 1944. After that they started 11 asking for gold as payment. Several 12 automotive companies manufactured half 13 tracks. It was impossible for them to 14 invade certain countries because of the mud 15 in Germany and they were stalled in '41 and 16 '42 and this way they could get around 17 instead of sinking into a mud bog. 18 So, I mean, corporations are good 19 for one thing and that's taken care of 20 themselves, so it's really something to 21 consider. 22 And I was very curious, I have 23 noticed that our school district is leasing

St. Mary's School on Pittston Avenue I guess

it is, and I wonder if there is any taxes

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due on that seeing that they're getting
financial compensation for the school? And
it's just -- it would seem to me that if
somebody is turning money on rents they
should pay some taxes on it, the county.

Once again, I'd like to thank them, and I have to get down to a meeting because I'm going to have to have something to say about -- at the commissioners' meeting about their treatment of the city and the council. It's just ashame. They should come here once in awhile and face the beat of the drum.

I'd like to remind everybody to get out and vote and inform yourself and remind them also that most officials in this city are elected by an extreme minority that sometimes it's a little as 20 percent turn out, so don't complain later and because it's already getting to the point with all of these like PEL proposing 117 percent property tax increases and so forth, if you don't start somewhere it's going to get awfully bad some day. It's just 100 percent

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of a 100 percent or 48 percent, 50 percent or whatever and it keeps rolling over and it's getting more and more expensive.

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And I'd also like to remind various speakers here that come to the podium that there has been some mention of the college students and so forth, they do have the right by Supreme Court decision to vote in the city that they attend college in so if they are living in a dormitory they do have the right to vote and I have seen it at polls, various -- not necessarily Scranton University, but a religious school in my neighborhood and they ship the bus down, bus loads of people down, so they do have the right to vote where they are attending schools and in the dormitories, so it's something that could consider if nothing is being contributed to the city upkeep then it's ashame.

And I'll give the golden parrot to our Congress, I wish they they'd just start to agree that children need to be fed. Once again, everybody loves to feed us but they absolutely hate the baby. Don't feed it,

don't educate it, don't do anything. 1 you and have a good night. Don't forget to 2 3 bawk. bawk. 4 MS. EVANS: Is there anyone else? MS. SCHUMACHER: Good evening, 5 Council. Marie Schumacher, resident and 6 7 taxpayer. 8 MS. EVANS: Good evening. 9 MS. SCHUMACHER: I'll start off tonight with 6-A. I don't know if you have 10 the legal authority to do that, but I'm sure 11 12 the solicitor either knows or could find 13 out, I would ask that you would amend that 14 before final passage to require that the 15 payment be made. I know there's a lot of 16 paperwork after your approval, but there are 17 properties, as I have brought up here 18 before, that have not paid in over three 19 years and not only have they not paid the 20 purchase price that you have so kindly 21 approved for them, but they have not paid their taxes either on those properties and 22 23 we are losing a lot of money. 24 And so I would like that you would 25 say maybe if the property -- if the title

has not been filed and the taxes paid and
within a year that it goes back and becomes
eligible for sale to some other person.

And then now back on parking meters, I guess. Next week I promise to have a new subject, but, did notice last night, I went to the -- I was sort of disappointed nobody from council came last night to the Study Commission for the county government. It was an interesting meeting. There will be another interesting meeting I think Monday night, but it will be in Moscow.

But I did park on those parking meters where the head were taken off and they are now back on so, in fact, Republic is apparently installing the meter heads per File of Council 100 of 2009, which I might add I never made a copy of it because when the Redevelopment -- or yeah, Redevelopment, the Parking Authority had it on their website and they always updated it and I just always went there because it was easier to have it electronically than copied it, but I also believe that the fee was \$20 and I don't and if it was statute that if you

1	paid in the first 24 hours it was \$10 and
2	then after the first day it was \$20, but
3	again, last week I spoke with a woman who
4	wrote the letter that received the ticket on
5	Labor Day weekend and she said she paid \$25,
6	so I know you asked Mrs. Krake to check into
7	that, so did we get an answer on what the
8	fee is for?
9	MS. KRAKE: Excuse me, Mrs. Evans.
10	In order to know what the fee is we need to
11	know what the ticket was for. There is, in
12	fact, a fine of \$25 if you are in permit
13	parking so if we know what the person
14	received the fine for we could absolutely
15	verify that.
16	MS. SCHUMACHER: Okay. Well, thank
17	you. And then the revenue from those, last
18	month on the 19th, Mrs. Evans, you gave a
19	report for the month of the July, did you
20	ever get the magistrate citation revenue for
21	that month?
22	MS. EVANS: I don't believe so, but
23	we can certainly ask.
24	MS. SCHUMACHER: And the revenue,
25	the expenses that were taken out did they

1	include the percentage that goes to Pango
2	and the percentage that they get back as for
3	the operation?
4	MS. EVANS: I don't want to answer
5	that because I don't have the information in
6	front of me and I don't want to say
7	something that could be incorrect, so I'll
8	bring all of that with me for next week.
9	MS. SCHUMACHER: Next week.
10	MS. EVANS: And I would be happy to
11	share it with you.
12	MS. SCHUMACHER: Thank you. And
13	will you be doing that monthly? I mean, I
14	know you said you are reporting monthly?
15	MS. EVANS: Yes.
16	MS. SCHUMACHER: So they should have
17	August and probably September by now I would
18	think as well.
19	Mr. Loscombe, did you get the
20	breakdown of the firemen of the fire and
21	firefighters and the police?
22	MR. LOSCOMBE: Actually, I'm still
23	working on it. I don't have a good
24	MS. SCHUMACHER: Well, where is the
25	document? Who has the document the court

I	awaru?
2	MR. LOSCOMBE: It's a number of the
3	different areas, but the problem is I
4	haven't had the ability to sit down on a
5	long-term basis to get it. This has been
6	ongoing. I mean, they are still working on
7	some numbers as we speak. It's not a
8	finalized item yet.
9	MS. SCHUMACHER: That's
10	MR. LOSCOMBE: And just specifically
11	just for my specifics on getting the
12	information, what specifically are you
13	looking for?
14	MS. SCHUMACHER: Well, first of all,
15	the numbers to whom the award applies by the
16	quantity of employees. I would like to know
17	the breakdown of how much of it is salary,
18	how much of it is expenses that are related
19	to salary such as longevity. I would like
20	to know if that increase for in the pension
21	from 50 percent to 70 percent and anything,
22	anything that increases the payment,
23	anything that will cause a cash award I
24	would like to see itemized in how it's
25	MR. LOSCOMBE: As far as the pension

1	50 to 70 percent, I don't understand what
2	you mean, the pension is 50 percent.
3	MS. SCHUMACHER: But I spoke about
4	this last week. One of the articles in the
5	paper last week said
6	MR. LOSCOMBE: That's something they
7	were looking for that has nothing to do with
8	this award at this point.
9	MS. SCHUMACHER: Are you positive?
10	MR. LOSCOMBE: I'm positive. That's
11	not even an agreement this point. This is
12	something they are the current
13	firefighters are looking for the increased
14	pension just like teachers or state troopers
15	or whatever, but currently firefighters'
16	pension and police officers' pension is 50
17	percent. There was a handful years ago that
18	received a 10 percent incentive from the
19	city, that's the only additional, but there
20	is no 70 percent.
21	MS. SCHUMACHER: I'll dig that out
22	of my file and bring it next week.
23	MR. LOSCOMBE: Sure. I'm just
24	trying to get as much specific information
25	as I can and relay them back and forth.

1	It's been
2	MS. SCHUMACHER: Everything that
3	adds up to the 22 million. Thank you.
4	MR. JOYCE: Let me just chime in and
5	say something quick because I know
6	Mrs. Schumacher asked me last week about
7	fees associated with the borrowing for the
8	police and fireman's awards as well as the
9	MMO and any possible other package that was
10	being put together. I did speak with Mike
11	Judge from CaseCon, and I specifically asked
12	him about fees, and he replied to me that it
13	would be tough to estimate what the fee
14	would actually be without a finalized
15	package or a finalized deal and all.
16	MS. SCHUMACHER: But we will know
17	before it's executed?
18	MR. JOYCE: Pardon?
19	MS. SCHUMACHER: We will know before
20	it's executed what that fee would be?
21	MR. JOYCE: Yes.
22	MS. SCHUMACHER: It has to come
23	through council.
24	MR. JOYCE: Yes.
25	MS. SCHUMACHER: Is Janney

1	Montgomery out, totally out? I mean, are
2	they being pitted against
3	MR. JOYCE: Well, I don't know if
4	MS. SCHUMACHER: Not pitted against,
5	but is there competition between the two to
6	get the best deal for we taxpayers?
7	MR. JOYCE: Well, there is Janney
8	Montgomery Scott and there are two other
9	two other perspective lenders. Right now I
10	know that Janney Montgomery Scott is kind of
11	on hold until there is a budget.
12	MS. SCHUMACHER: Okay. Thank you.
13	Sorry about the extra time.
14	MR. JOYCE: That's okay.
15	MR. UNGVARSKY: Good evening, city
16	council.
17	ALL OF COUNCIL: Good evening.
18	MR. UNGVARSKY: I'm Tom Ungvarsky.
19	Last week I got a phone call from a citizen
20	of Scranton who had a suggestion for
21	settling with the police and firemen. He
22	asked if he could send the plan to me and
23	present it to city council. Seeing as
24	Mr. Loscombe's name was mentioned in it, I
25	gave it to Jack. He has the feeling that

since the police and firemen are citizens of the city that they would be receptive to most any kind of a plan to help out the city. I hope either this administration or anyone coming in will sit down with the police and firemen and try to reach some kind of an agreement where we could perhaps save on closing fees and consultants and lawyers and make some kind of an arrangement with them.

I noticed that the county is buying a tandem dump truck, and I think it's over \$100,000. As you know, I contribute, I'm taxed by the county and part of my money will go to pay for that truck. Now, probably the only time that truck will be on the Scranton street is when it's passing through. I hope city council will put forth a good effort to get the commuter tax.

I'm glad to see you have straightened out the parking meters. I hope that you are working with the Parking Authority now for the garages and thank you for your attention.

MS. EVANS: Thank you.

1	MR. LOSCOMBE: Mr. Ungvarsky as I
2	was coming into the meeting tonight gave me
3	this envelope, so I have looked at it yet.
4	Thank you, Mr. Ungvarsky.
5	MR. UNGVARSKY: You're welcome.
6	MS. EVANS: Is there anyone else?
7	MR. MILLER: Good evening, Council.
8	Doug Miller, Scranton.
9	MS. EVANS: Good evening.
10	MR. LOSCOMBE: Good evening.
11	MR. MILLER: I'd just like to
12	address the front page story of the Scranton
13	Times from this morning in regard to PEL's
14	new projection of an estimated \$20 million
15	deficit for next year. If we go back a
16	little bit to July they sent a letter down
17	to council, at the time looking ahead they
18	projected a \$18 million deficit and also
19	suggested a 117 percent tax increase to
20	cover that deficit.
21	Now after learning that the city is
22	it obligated to increase it's municipal
23	minimal pension contribution by \$2 million
24	next year they come up with the result of
25	\$20 million. That's also including nearly

1 \$2 million of PILOT payments that will likely not occur this year, \$1.2 million in 2 3 departmental savings that likely will not 4 occur next year. They go on and talk about our on-street parking meter enhancement 5 revenue, which is expected to be down 6 7 approximately \$300,000. The MBRO, market 8 based revenue opportunity likely to fall short of it's goal by roughly \$250,000. 9 10 They go onto conclude that the city does 11 hope to end this year with a deficit of 12 about \$300,000. However, it is looking as if that may not happen if the city has an 13 14 inability to obtain new borrowing to cover 15 pension costs and moving forward to the 16 Supreme Court ruling, you know, and a lot of 17 other things that the city is obligated to 18 come up with funding for. 19 20

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Obviously, a lot of this comes down to the city's inability to generate revenue and we certainly going back to the recovery plan council did offer many suggestions and did implement many revenue enhancements and, unfortunately, were never implemented properly I believe from day one, and what I

mean by implemented properly is that I don't believe they were enforced the way they should have been. I think that the administration sort of got off to a late start, and what I see occurring here, and it's kind of frightening to me, but what I do see arising here is I do see blame coming back once again to city council and I think tonight it needs to be made quite clear that this is not the case.

When you look at that recovery plan and you look at the budget, you look at the impact summary and all of the things that this council did, the Finance Chair, the council president, all of the figures and the revenue enhancements that they put into place by working with, you know, your solicitor and Attorney Hughes and all of those involved to make this happen, it's very troubling to me that this administration didn't jump on board on this.

You know, we thought we had cooperation last year and we thought that we would realize these things. Obviously, with some of these new revenue enhancements there

is going to be some obstacles and some
things may not come to fruition right away,
but for the most part you hope for success
and you hope for these things to be
realized.

Unfortunately, that hasn't been the case. The biggest one to me is our PILOTS and it seems repetitive that we, you know, constantly, you know, revisit this issue, but we were hoping to generate according to the summary here about \$1.4 million this year and that's not going to happen and it goes back to the administration's lack of the sense of the urgency to come forward and pursue payments in lieu of taxes.

And I want to go back to the tuition tax proposal or suggestion I made at council that may be our only way of getting increased payments in lieu of taxes. I hate to see it be used as a bargaining chip, but we may have come to that point. It's quite clear that after all of these years the nonprofits aren't willing to cooperate to some degree. You know, not every nonprofit is, you know, has been uncooperative, I want

1	to make that clear, but, you know, there are
2	certain nonprofit entities that have sort of
3	slammed a door in the city's face.
4	And, you know, when you take a look
5	at the services that the city provides and,
6	you know, my suggestion has been criticized
7	a few weeks by a speaker, I think Mr.
8	Dobrzyn made a good point tonight, you know,
9	these children, these students that "were in
10	diapers" when the city's financial situation
11	sort of arose, Mr. Dobrzyn made a very good
12	note tonight while he brought it up, these
13	are the same individuals that were in
14	diapers 20 years ago that have the ability
15	to vote in this city, whether they are from
16	New Jersey, Philadelphia, New York,
17	Pittsburgh, whatever. If they live here in
18	the city while they are attending our
19	institutions they are the ability to cast a
20	vote. And with that said, I think it's only
21	fair that a 1 percent tax be attached to the
22	tuition.
23	But I just hope that we continue to
24	pursue vigorously a lot of the enhancements

that the city hoped to realize. I'm not

sure what the city's plan in relation to the 1 commuter tax, but I do think that's 2 3 something had that we need to revisit again. 4 I know that -- I believe PEL had mentioned in the article this morning that refinancing 5 the city's debt may not be a possibility, 6 7 I'm not sure if maybe a member of council 8 can clarify that, I know that was something 9 that's been brought up. The amusement tax, I know that we 10 11 fell behind on that. And I just want to end 12 this evening with one question, has the city 13 at this point received on it's payment in 14 libation from the amusement tax? I know 15 that was a story. 16 MS. EVANS: It did receive the first 17 payment of \$19,000 and there will be more 18 forthcoming, so I do see that the amusement 19 tax is going to generate revenue not only by 20 the end of this year, but I think more 21 significantly next year and through 22 throughout the future years. 23 MR. MILLER: Thank you. And to 24 conclude, this will be it, you know, again,

not to be repetitive, but when you do go

back and you take a look at the work that 2 went into putting this recovery plan and the 3 2013 budget together I would hope that the 4 residents of this city would remember how you had to go through a lot of, you know, I 5 guess ropes you could say to ensure that the 6 7 burden wasn't as significant as PEL wanted 8 it to be on the taxpayers of this city. 9 Remember, PEL was looking at nearly at a 85 10 to 100 percent tax increase and this council 11 did everything that it could possibly do to 12 lessen that burden, so when we want to look 13 at where we could really be at this point in 14 time we think things are bad now, I do think 15 we have come a long way. There is no doubt 16 about that and a lot of good things have 17 happened I know that when you are a city 18 that faces these financial challenges you 19 would find it hard to say that, but I do 20 think a lot of good things have happened, 21 and I do think that there is some light at 22 the end of this tunnel. 23 But, as I said, it's cooperation, 24 it's following through on things that

council implements, and again, I thank you a

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1	commend you for everything you have done and
2	I do not think that moving forward this
3	dilemma that we are going to be facing
4	should be placed on your shoulders because
5	you did everything to avoid bankruptcy,
6	hefty tax increases and a loss of services
7	on the residents of this city, so thank you
8	very much.
9	MS. EVANS: Thank you. Is there
10	anyone else?
11	MS. KRAKE: 5-A. MOTIONS.
12	MR. SLEDZENSKI: Hi, Janet. Sorry.
13	MS. EVANS: That's okay.
14	MR. SLEDZENSKI: Hey, Jackie, my
15	boy.
16	MR. LOSCOMBE: Chrissy is back.
17	MR. SLEDZENSKI: I'll always be
18	back, Jack, you know that. Frank, what
19	happened last week, Frank.
20	MR. JOYCE: I don't know.
21	MR. SLEDZENSKI: We got walloped,
22	Janet. We got walloped. Well, good luck
23	this weekend. Good luck, boys. Thank you.
24	MR. LOSCOMBE: Thanks, Chrissy.
25	MS. KRAKE: 5-A. MOTIONS.

1 MS. EVANS: Councilman Rogan, do you 2 have any comments or motions tonight?

MR. ROGAN: Yes, thank you, just a few brief comments, two on some outstanding issues and one on an agenda item. The first is regarding the letter from PEL that was reported in the newspaper, and I hate to say, unfortunately, that I was right on these items when it was time to vote on a budget and a recovery plan. As you know, I was the only member to vote against the recovery plan and the budget because of the concerns of revenue not being realized and, unfortunately, my concerns have played out.

Some of the items in here reduction in PILOT revenue \$1.75 million, reduction in departmental savings, \$1.2 million, reduction in the parking enhancement \$300,000, and reduction in the market based revenue is a quarter of a million, those items along with others and the commuter tax make a deficit the size of our neighboring towns' budgets, actually more than that, and next year's -- when next year's budget comes up, I think that when voting and when

looking at ideas we need to make sure that all of the items placed in the budget actually are materialized.

If the administration is considering pursuing a commuter tax again they should petition the Courts now. They shouldn't wait until a budget is voted on to petition the courts. It was done completely backwards the last time. I don't know how the administration expected council to vote on putting an item in that wasn't approved yet, so if that is something that the mayor wants to put in the budget it should go to the courts now before budget time begins.

Another item, and actually these two kind of blend in to each other, everyone knows one of the departments that I'm very critical of and I look very closely at is the Department of Public Works, and PEL has been advocating for an increase in the garbage fee and that's actually something that I supported in a way, but I think we need to reform the way the people in the city of Scranton pay for garbage. Currently the garbage fee is the same for everyone in

1 2 3 the City of Scranton, whether it's a single widow living off social security or whether it's somebody, a family of six or a family of 12 making a couple of hundred thousand dollars a year and obviously having much more garbage than that single widow.

I think we need to look at going to

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a per bag fee in the city. It may be a difficult transition to get it up and running, but I definitely think it's

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something that needs to be on the table.

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Simply increasing a garbage fee across the

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board isn't fair. It's not fair especially

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to senior citizens who don't have a lot of

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garbage and don't use the service as much as

Additionally, some other community

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other people do.

18 19 neighboring communities that have gone to

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per bag fees have seen increase success with

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their recycling program. When people are

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forced to pay for how much they actually put

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in their garbage they have a much bigger

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incentive to recycle, which is not only good

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for the city because it saves us money in

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fees at the dump, it's also good for the

environment because all of these items are
being used again, so I hope that's something
that can be considered and discussed

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regarding the garbage fee.

Next, today in my full-time job I attended a senior fair today and much of the talk with the senior citizens at this fair was about Senate Bill 76, and I have spoke many times in these meetings about Bill 76, which for those of you who don't know, it's the property tax elimination bill for school districts. This bill would be a huge help for the City of Scranton. In the city the school tax is by far the largest portion of your tax bill. The city always seems to get the blame for the tax bill because when you read your bill it's lumped together as city and school district, but the school district is by far the much larger portion of that bill, and if Senate Bill 76 were to pass the Senate and the House could reconsider it and if it were signed into law that would eliminate property taxes for schooling, which would enable the city to generate more revenue and people would still be paying

less in property taxes and they would be able to keep their homes.

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Unfortunately, our Senator John Blake has flat out refused to support this proposal. This goes with Mr. Blake's track record of not doing anything to help the City of Scranton and I hope that he would reconsider. Many of the neighboring senators of both parties, Democrats and Republicans, state representatives I know Representative Flynn sent us a note, a memo that he voted to eliminate property taxes, and we thank him for that, but Senator Blake has refused to get on board with trying to help the property owners in Lackawanna County and in Scranton. So I hope that he would I believe listen to the voters and I would urge them to call Senator Blake and ask him to support or to sign on as a cosponsor to Senate Bill 76.

Finally, just one comment on Item

5-A regarding the towing, I will be voting

yes on this item tonight, I do want to take

a week to talk to some of the towing

companies. None of them have reached out to

me yet so it seems it's great to everyone, and the only negative with this, and I understand the budget hole has to be filled with this \$300,000 that was put in for the towing yard that did not happen, but by doing this in a one-time fashion, yes, the city gets \$300,000, but for the next nine years, ten years we won't receive any revenue.

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MS. EVANS: Well, actually we will. It's not going to be significant revenue, but the city also receive, thanks to our attorney who negotiated this, the city will receive a certain portion of all of the fees charged by the towers and each time the towers would increase those fees then the amount coming into the city would increase as well, and those funds, I believe, are going to be delegated toward the purchase of police cars.

MR. ROGAN: Okay, and that

definitely sounds like something that would

be good to have, at least some of revenue

coming in over the next few years, but

again, I will vote for it this week. I do

1	want to reach out to the tow operators just
2	to make sure that it's agreeable to them and
3	it's agreeable to everyone on the board and
4	the residents. So that's all for tonight.
5	Thank you.
6	MS. EVANS: Thank you. And,
7	Councilman Loscombe, do you have any
8	comments or motions tonight?
9	MR. LOSCOMBE: Not really. The only
10	thing I will comment on is I had the same
11	questions Mr. Rogan had as far as the
12	towing, the length of the time, and you just
13	clarified some information, but, you know, I
14	hope it's a win-win for everybody.
15	But, Mrs. Evans, you mentioned that
16	when the towers increase their fees that we
17	would get the increased portion of it?
18	MS. EVANS: Yes.
19	MR. LOSCOMBE: I didn't get a chance
20	it read it, but I thought the fees were set
21	by the city. Are they allowed to increase
22	their own fees or?
23	MR. HUGHES: If you look at the
24	ordinance, attached is Exhibit A is the
25	contract, and attached to Exhibit A is

Exhibit 1 and Exhibit 2. Exhibit 2 is the increase in the fees over the period of ten years for every three years and it shows --it sets forth there what portion of the fees the city will receive on each of that in increments of three years. I believe it goes from zero to three years and I think it's three to six, and six to ten.

MR. LOSCOMBE: Okay, I do see that.

MR. HUGHES: Okay, so that's -- if you look at that, you know, you can review that next week, you will see the contract, that's Exhibit A, right now if my memory is right from Exhibit 1, but Exhibit 2 is the one that sets the increase in the fees and what the city will get.

Now, what happened was when the ordinance was sent down it had in the original ordinance that those funds would be placed into the account to purchase the police cars. In my opinion that ordinance was contrary to the Home Rule Charter that says that each ordinance shall have only one title and one subject matter. I wrote that back to Attorney Kelly, he then subsequently

revised it and sent it down so he said if I wanted to -- if we wanted it that way instead of adopting the ordinance that way I'll have to draft the ordinance, so I'll draft the ordinance hopefully for next week that this will be introduced tonight, but then the increases will be specifically sent into that special account, and that goes back to an ordinance, I believe Ordinance No. 21 of I think it was 2004 that those fees or anything that comes in, not only from that, but also the grant that the police cars go into this account. So that would be a second piece of 

So that would be a second piece of legislation for the increases over the next ten years that those funds will come in and they'll go into that special account for purchase of cars, you know, for the police department.

MR. LOSCOMBE: Sure. I'm glad.

That's the first I got to see that when you pointed that out. Just another quick question out of curiosities, it may be irrelevant, but suppose my brother has a towing company, he is not on the list, I

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have an accident, I am not allowed to use him I would have to use one of these towers? Not that I have a brother that has a towing company, but I'm just, you know, being the devil's advocate here. Just, like, you know, you have a car accident and these insurance companies try to direct you to certain body shops, but you have the right to go to whoever you want.

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MR. ROGAN: Mr. Loscombe, I think I can answer that, I remember when we debated the idea of a city lot I spoke to many of the towers and people involved in the industry and if you are in an accident and you are there you can call whoever you want, they don't have to be on the city list or not. This more pertains to if there is an abandoned vehicle or there is an accident and, for instance, say you were incapacitated, you can't communicate that you want, you know, Loscombe's Towing to get you, it would go to the next person on the list. It's a rotating list, but if somebody has a preference they get to choose who they want and also if this doesn't apply, just so

1 the people out there know, this doesn't apply if you break down or anything of that 2 3 nature, this is just police towing. 4 MR. LOSCOMBE: I just wanted to get that out there, you know, I know there is 5 people with those questions so very good. 6 7 Thank you. 8 MS. EVANS: And, Councilman Joyce, 9 do you have any comments or motions tonight? MR. JOYCE: Yes. 10 I want to begin 11 tonight by addressing the recovery plan and 12 PEL's letter to us. Whether or not you 13 agree with the provisions of the recovery 14 plan or what was put in it, a recovery plan 15 was necessary, and I'll tell you why. 16 Without the recovery plan we probably 17 wouldn't have been able to get a tax 18 anticipation note this year. We probably 19 wouldn't have been able to obtain any 20 borrowing to cover unfunded debt from 21 previous years. If we didn't have a 22 recovery plan in place and we shot that 23 down, what would happen is that the lights 24 would be turned out on this city. The city

would just go bankrupt. There would be no

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money to pay employees, there would be no money to pay bills that were already months overdue. They would have shut off the gas and the electricity in city hall and all of the fire stations and police headquarters and the DPW facility.

So, you know, whether or not you agree with the recovery plan or the provisions in it, it was something that was Now, some of the provisions in necessarv. it, market based revenue opportunities, this was something that was actually suggested by PEL, it's something that hasn't materialized yet, and really there has been a lack of execution in the administration to follow through on it and that's something that city council can't control. We can't control how fast things get implemented or if they get implemented at all or when the ball gets rolling and when the ball doesn't get rolling.

So, you know, I can't say that the administration is at fault for everything, because they are not, but are there things that they could have been faster on? Yes.

sent, and as most people know there is an article in the Scranton Times about it today, PEL projects that the city is facing a \$20 million deficit in 2013. Actually, to be more specific, it's \$19.73 million. So really in their suggestions they say options available or to increase the real estate property tax, an increase to the resident EIT and/or an increase to the garbage fee.

Now, in this letter that PEL had

Well, I did a few quick calculations here while the council meeting was going on, but I still paid attention to the speakers.

Anyhow, with all being said this is what PEL's suggestion is to us, and the administration. Now, the \$19.73 million deficit. Right now the city collects, oh, approximately \$16 million in real estate taxes. If you do the math, if the real estate taxes would be increased alone it would be roughly 125 to is 130 percent tax increase. That's their suggestion to us.

Also, regarding the EIT, which is currently at -- well, the city EIT is at 2.4 percent, and there is a maybe 1 percent EIT

for the school district, which means that why a 3.4 percent earned income tax gets taken out of a everyone's check that's employed. It's about \$800,000 of revenue for every .1 percent to increase that tax. So if you were to increase that to cover \$20 million it would be a 2.5 percent increase in the earned income tax, which would mean that workers that live in the City of Scranton would pay 5.9 percent of an earned income tax if we follow that suggestion.

Personally, I think if taxes, real estate taxes were to increase 125 percent or to earned income tax were to increase to 5.9 percent there would be a mass exodus of people out of this city. People would probably -- as far as real estate taxes, people would probably just leave their homes. You wouldn't be able to sell them.

Anyway, as far as what would be done to lower any tax increase, it's almost inevitable to say that there will be a tax increase, it's going to happen. What I'm trying to do is make that increase the lowest possible amount for city homeowners.

I was elected to represent the City of

Scranton. I was elected by the people that

vote in the City of Scranton and I was not

elected by PEL.

Anyhow, these are my suggestions: I suggest that the city should pursue the commuter tax. In previous conversation with Mayor Doherty he had said that the city would pursue the /KPH-T and also PEL had stated that the city is obliged to pursue the commute tax since it's part of the recovery plan. This is \$5.7 million worth of revenue if the Courts allow the city to implement -- to levy this tax.

Also, in speaking with Mayor Doherty in the past he informed me that the city would be or may be eligible to receive \$2 million extra in liquid fuels money next year. He worked with Senator Blake to obtain this and it would be earmarked for Parking Authority debt, which is currently paid out of our general fund anyways to the tune of over \$2 million, so it's almost like we are saving \$2 million off of our projected

1 deficit.

And another thing that I have been pushing for is a scoop out refinancing. Now, I know that PEL had stated that they do not favor this or they don't consider this a good option. However, I did speak with Mike Judge from CaseCon and a proposal has been put together to include a \$5 million savings in 2014 and a scoop out refinance, the borrowing necessary to pay off the firefighter and -- or the firefighter and police Supreme Court award and to cover the borrowing for the MMO in 2013.

This deal there are two perspective lenders, one is waiting for some feedback, another wants to set up a meeting for next week to discuss the proposal in more detail. So with what I have mentioned so far you have \$5 million of possible savings in scoop out refinance, \$5.7 in commuter tax, and \$2 million in liquid fuels, which is \$12.7 million off of the 19.73, which brings is down to about \$7 that we are looking at that we would have to fill, obviously, with some sort of an increase in taxes.

Now, there also may be cuts made to
the budget. The administration has asked
all departments heads to cut 10 percent of
their departmental expenditures and that, of
course, any money that has been cut out
would also be deducted from that \$7 million

what I'm in favor of.

Any massive increase to real estate taxes or the EIT, I would be very much against. What I'm trying to do as the last think I do on city council is save a couple of hundred dollars for every homeowner in the City of Scranton, and that's my goal and I'm going to work as hard as I could to achieve that goal. And that's all I have for tonight.

so that's what I'm looking at and that's

MS. EVANS: Thank you. And if I might just piggyback on that, I think you all know, and it was mentioned earlier that for this current year PEL had recommended it might have been an 89 percent tax increase and city council did not allow that to happen. City council was able to bring it down to 22 percent, and I agree with

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Mr. Joyce, there are alternatives here that must be pursued because I will not approve a massive tax increase. I know that certainly PEL believes it to be the answer, but I don't and I think, you know, you can certainly in PEL's mind try to levy such a significant tax, but, frankly, I don't believe it would ever, ever be collected. People just can't afford that.

So I am hoping that these measures that are being proposed by council are going to be taken seriously by the administration because, again, I will not approve -- I will not approve any proposed three digit tax increase as PEL has recommended.

I do agree with something that my colleague, Mr. Rogan, has said and that is that it is impossible for the city to pass a budget before it can go to Court to petition for a commuter tax. We cannot produce a budget and not know whether or not a commuter tax is approved and to be included, and that is not an issue that we can guess at. A recovery plan is nothing more than guesses and projections, but a budget has to

be far more concrete and the people that are going to have to oversee that budget I think need to be more actively involved this time, and that is not to say, you know, the new council or a new mayor at this point because after all they must be elected, but I think, you know, we have council members that are going to remain in 2014 and they will be charged with carrying out that budget and so they must have an active voice in planning what's going to occur next year.

But again, I just want to emphasize that it is impossible for the administration or city council to craft a budget and pass a budget that does not contain a definitive answer on the commuter tax. And so a budget can be proposed, the mayor can certainly propose his budget and that can be presented to the Court, but I cannot pass a budget that does not contain firm definite numbers.

In addition, I have a brief update regarding the request made by

Mrs. Schumacher during our last city council meeting. Republic Parking System was contacted on Friday, October 4, and agreed

1 to place stickers indicating the days of 2 operation on all parking meters. 3 MS. SCHUMACHER: Thank you. 4 MS. EVANS: You're welcome. Next. I wish to remind the public quickly of the 5 facts regarding the Perry Avenue Park in 6 7 North Scranton. Scranton City Council did 8 not approve a grant to construct this park 9 because the City of Scranton had absolutely no funds to maintain it. In fact, the 10 11 administration began closing the city pools 12 in 2010 because there wasn't funding to repair and maintain them even before the 13 14 Perry Avenue Park was proposed by Mayor 15 Doherty. 16 As of the Summer of 2013, Capouse 17 Avenue Pool, the Novembrino Complex Pools 18 and two others remain closed. Further, there are no funds available in either the 19 20 capital or the annual operating budget to 21 maintain many of our existing parks, let 22 alone the newest Perry Avenue Park. 23 Like all of us who reside in 24 Scranton and it's neighboring communities, 25 the editor of the Scranton Times newspaper

undoubtedly is aware of the severe financial problems our city has faced for years. Although he fails to offer plausible solutions and has consistently ignored the Doherty debt that was born in 2002, swelled each year thereafter, and came home to roost in 2012. Contrary to the editor's skewed opinions, my council colleagues and I are pleased by the construction of Perry Avenue Park and acknowledge the work of the many generous volunteer groups who made it possible.

Further, we hope that these groups will be able maintain the park and equipment well into the future because it is clear to all but the Scranton Times editor that the City of Scranton has no financial ability to do so.

Finally, I received a letter from a resident of Harrison Avenue regarding handicapped parking. Mrs. Krake, can you provide me, please, with two copies of the handicap parking ordinance, and I am going to submit the details of this citizen's request to our office following tonight's

1	meeting and we will contact the individual
2	with the appropriate information. And
3	that's it.
4	MS. KRAKE: 5-B. REPEALING FILE OF
5	COUNCIL NO. 37 OF 2011 (AS AMENDED) ENTITLED
6	"ESTABLISHING THE LIST OF AUTHORIZED TOWING
7	COMPANIES FOR THE CITY OF SCRANTON AND
8	ESTABLISHING THE RULES, QUALIFICATIONS
9	AND STANDARDS TO BE FOLLOWED BY ALL SAID
10	TOWING COMPANIES, ESTABLISHING FINES AND
11	PENALTIES FOR TOWING AND FEES RELATED TO
12	THIS ORDINANCE" BY ESTABLISHING THE LIST OF
13	AUTHORIZED TOWING COMPANIES FOR THE CITY OF
14	SCRANTON, ESTABLISHING THE RULES,
15	QUALIFICATIONS AND STANDARDS TO BE
16	FOLLOWED BY ALL SAID TOWING COMPANIES,
17	ESTABLISHING FINES AND PENALTIES FOR TOWING
18	AND FEES RELATED TO THIS ORDINANCE AND
19	AUTHORIZING THE MAYOR AND OTHER APPROPRIATE
20	CITY OFFICIALS TO ENTER INTO A TEN (10)
21	YEAR CONTRACT FOR TOWING AND RELATED
22	SERVICES IN THE CITY OF SCRANTON IN EXCHANGE
23	FOR A ONE (1) TIME PAYMENT OF THREE HUNDRED
24	THOUSAND (\$300,000.00) DOLLARS.
25	MS. EVANS: At this time I'll

1	entertain a motion that Item 5-B be
2	introduced into its proper committee.
3	MR. ROGAN: So moved.
4	MR. JOYCE: Second.
5	MS. EVANS: On the question? All
6	those in favor signify by saying aye.
7	MR. ROGAN: Aye.
8	MR. LOSCOMBE: Aye.
9	MR. JOYCE: Aye.
10	MS. EVANS: Aye. Opposed? The ayes
11	have it and so moved.
12	MS. KRAKE: 6-A. READING BY TITLE
13	-FILE OF COUNCIL NO. 49, 2013 - AN ORDINANCE
14	- SALE OF TAX DELINQUENT PROPERTY AT THE
15	CORNER OF LINDEN STREET AND TAYLOR AVENUE,
16	SCRANTON, PENNSYLVANIA, TO LINDEN TAYLOR,
17	L.L.C., 56 LEDGE DRIVE, LAKEVILLE,
18	PENNSYLVANIA, 18438, FOR THE SUM OF
19	\$2,500.00.
20	MS. EVANS: You've heard reading by
21	title of Item 6-A, what is your pleasure?
22	MR. ROGAN: I move that Item 6-A
23	pass reading by title.
24	MR. JOYCE: Second.
25	MS. EVANS: On the question? All

1 those in favor signify by saying aye. MR. ROGAN: Aye. 2 3 MR. LOSCOMBE: Aye. 4 MR. JOYCE: Aye. 5 MS. EVANS: Aye. Opposed? The ayes have it and so moved. And perhaps we could 6 take a look into the forthcoming week at 7 whether there can be an amendment placing a 8 9 timeline on what needs to be paid after purchase. I know Mrs. Schumacher had 10 11 mentioned this during citizens' 12 participation that a number of the 13 properties that purportedly had been sold I 14 quess either didn't file a title or deed and 15 had delinquent taxes. So, you know, maybe 16 you can take a look into that and see if 17 there is anything that can be added. 18 MR. HUGHES: It's been a long time 19 since I did one of these, but I believe this 20 is a purchase under what's commonly known as 21 the Pittsburgh Plan and that after this is 22 approved then it's advertised and it's 23 presented to the Court, there is a hearing 24 date that's advertised, anyone can come in 25 and then bid on this property and it goes to 1 the highest bidder.

And, as I said, it's been years since I have done anything like this, probably decades, but anyway, I think that that might be in the Court order if they don't come up with the money within 30 days or whatever it is that it's null and void and it could be put back out to bid. We'll have to check on that, but, you know, usually, there is a time limit once the Court issues its order approving the sale either to the original bidder or to anyone who comes in and bids that the money has to be paid ina a certain period of time.

MS. EVANS: I see. And while you able to take a look at the Pittsburgh Plan, I know you had mentioned to me a very good idea that you had concerning these vacant properties and, you know, keep that in mind as you are looking through if that could be become a real possibility for the city to pursue.

MR. HUGHES: I'll give that to my twin brother who works 24 hours a day in the office. I'll take care of that. No

1	problem.						
2		MS.	EVANS:	Thank	you.		
3		MS.	KRAKE:	SEVENT	H ORDER	. NO	
4	BUSINESS	S AT	THIS TIM	IE.			
5		MS.	EVANS:	If no	one has	any	
6	further	busi	ness, I'	11 ent	ertain a	a motion	to
7	adjourn.						
8		MR.	JOYCE:	Motion	to adjo	ourn.	
9		MS.	EVANS:	This m	neeting <sup>.</sup>	is	
10	adjourne	ed.					
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1	<u>C E R T I F I C A T E</u>
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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	CATHENE S. NARDOZZI, RPR
12	OFFICIAL COURT REPORTER
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