SCRANTON CITY COUNCIL MEETING

HELD:

Thursday, December 10, 2015

LOCATION:

Council Chambers

Scranton City Hall

340 North Washington Avenue

Scranton, Pennsylvania

CATHENE S. NARDOZZI, RPR - OFFICIAL COURT REPORTER

CITY OF SCRANTON COUNCIL:

ROBERT MCGOFF, PRESIDENT

PATRICK ROGAN, VICE-PRESIDENT

WAYNE EVANS

JOSEPH WECHSLER

WILLIAM GAUGHAN

LORI REED, CITY CLERK

KATHY CARRERA, ASSISTANT CITY CLERK

AMIL MINORA, SOLICITOR

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

MR. ROGAN: Roll call, please.

MS. CARRERA: Mr. Wechsler.

MR. WECHSLER: Here.

MS. CARRERA: Mr. Rogan.

MR. ROGAN: Here.

MS. CARRERA: Mr. Evans.

MR. EVANS: Here.

MS. CARRERA: Mr. Gaughan.

MR. GAUGHAN: Here. I'd make a motion to appoint Councilman Rogan as temporary chair for the Committee on Rules.

MR. WECHSLER: Second.

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

MR. WECHSLER: Aye.

MR. EVANS: Aye.

MR. GAUGHAN: Aye.

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

MR. ROGAN: There will be a motion to suspend council rules to move Item 6-A and 6-B to Seventh Order for final passage. If anyone wishes to speak on those

particular pieces of legislation they may do so during citizens' participation.

Please dispense with the reading of the minutes.

MS. REED: THIRD ORDER. 3-A. MINUTES OF THE COMPOSITE PENSION BOARD MEETING HELD NOVEMBER 18, 2015.

MR. ROGAN: Are there any comments? If not, received and filed.

MS. REED: 3-B. MINUTES OF THE SCRANTON FIREFIGHTERS PENSION COMMISSION MEETING HELD NOVEMBER 18, 2015.

MR. ROGAN: Are there any comments? If not, received and filed.

MS. REED: 3-C. AGENDA FOR THE NON-UNIFORM MUNICIPAL PENSION BOARD MEETING HELD DECEMBER 9, 2015.

MR. ROGAN: Are there any comments? If not, received and filed.

MS. REED: 3-D. MINUTES OF THE NON-UNIFORM MUNICIPAL PENSION BOARD MEETING HELD NOVEMBER 18, 2015.

MR. ROGAN: Are there any comments? If not, received and filed.

MS. REED: 3-E. MINUTES OF THE

SCRANTON POLICE PENSION COMMISSION MEETING HELD NOVEMBER 18, 2015.

MR. ROGAN: Are there any comments? If not, received and filed.

Do any council members have announcements at this time?

MR. GAUGHAN: Yes, I do have one. Please join us in helping Stephen Pierson and his family while he is receiving extensive medical care at Geisinger Danville after being struck by a car in a hit and run accident at work for the City of Scranton Department of Public Works. The event is being called Stephen's Incredible Journey. It will be held at Morgan's Pub and Eatery at 315 Greenridge Street on Sunday, December 20, from 2 to 5 p.m. The cost is $10 per person. It includes beer and light snacks. Donations of any kind will be welcomed and appreciated and I urge everyone to go out and support Mr. Pierson. Thank you.

MR. ROGAN: Anyone else? I have a few items. First of all, there was an executive session held this evening regarding personnel issues and the sale of

real estate.

Next week, December 14 through the 18 DPW will be picking up leaves, not newspapers. Please bag any leaves for pick up. The following week, December 21 through Sunday the 26th they will be picking up blue recycling containers and then they will back on a regular schedule. This evening's meeting will be the last council meeting fro 2015. We will reorganize on Monday, January 4, 2016.

Regarding agenda items, an emergency certificate was submitted with Item 5-B, earned income/wage tax. There will be a second opportunity for citizens' comments prior to the final reading.

And finally, Item 7-B, repeal of the legislation to increase rental registration fees there will be a motion made to table this item.

MS. REED: FOURTH ORDER. CITIZENS' PARTICIPATION.

MR. ROGAN: Our first speaker is Joan Hodowanitz.

MS. HODOWANITZ: Joan Hodowanitz,

resident and taxpayer. Let me get this straight, in the beginning was the 2016 budget, then council amended it and passed it as amended, but the mayor says it was illegal so do we have a budget and is it the mayor's original budget?

MR. ROGAN: Either at the end of the vote tonight either the amended budget, which is unbalanced as a clerical error, or the original budget will become law.

MS. HODOWANITZ: Okay, so we'll know where we stand.

With regard to pedestrian safety, I was very happy to see Jim Bob over there with his article intersection between Wyoming and Lackawanna that it is getting the attention. Thank you, Councilman Wechsler. It's an additional three to five seconds, but there will be a policeman there occasionally and there will be education of the public, my only hope is that we can look at some other intersections downtown because I think there are -- there is more than one problem intersection, but thank you for pushing that. What is the status of the

2014 audit?

MR. EVANS: Well, it's on track to have a draft by the end of the year.

MS. HODOWANITZ: I'm sorry.

MR. EVANS: It's on track to have our draft by the end of the year.

MS. HODOWANITZ: When will the final product be ready, do you think, not until next year?

MR. EVANS: Most likely.

MS. HODOWANITZ: I don't need to remind all of you that an independent audit is fundamental to good governance and it should be basis for your budgetary planning, but more on that later. So what's the current rumor on the identity of the next BA?

MR. EVANS: None.

MS. HODOWANITZ: Don't all answer at once. Is there anybody, any names pop to the front?

MS. HODOWANITZ: Oh, darn. What about the 2015 MMO, are we still running short?

MR. EVANS: Well, you know, that

will be determined as the last dollars come in for tax money, so I'm sure we are going to be running short.

MS. HODOWANITZ: This is your last council meeting so basically we just have to read the paper day after day after day and see what happens on December 31 and January 1. You can always put a kettle out on the front steps, you know, ring a bell. Okay.

And, finally, the sale of the Sewer Authority. I watched everybody popping just about champagne bottles here and there, but I think and many other people think that devil is going to be in the details of this. I saw that Jim Lockwood mentioned in one of his articles that we'll probably not actually see the sale come into being until 2017, so if that's true it's not going to impact next year's budget at all nor will it impact the Court award that we are try to pay off, nor will it impact the Scranton Parking Authority deal, but what worries me and a lot of other people are what are the hidden costs that no one has described to us yet? I suspect Marie is going to talk to

you about storm water lines and that issue, but I suspect there is an awful lot of hidden costs that we just are not seeing and before I drink a toast to this new year I would like to see more information and detail.

But more important than that, what would be very disappointing is if everybody had a sense of relief that we are fixing our pension problem when, in fact, we have not done anything about pension reforms, and I would hate to see us back in the hole maybe five, ten, 15 years down the road because we don't have another Sewer Authority to sell.

What is the status of the administrative administration working on pension reforms, which they promised us that they would?

MR. EVANS: My understanding is that talks are ongoing with the unions. I stated a million times that putting money into the pension plans without reform is note a solid investment and I will not support that, but I would expect some kind of real reform prior to any opportunity to put money in the

pension plan.

MS. HODOWANITZ: I would hope we would have some clear guidance on pension reform before any decision of made what to do with that $96 million.

MR. EVANS: Absolutely.

MS. HODOWANITZ: I would be disappointed otherwise. And the other reform actions that should be on going like rental registration, thank you.

MR. ROGAN: Thank you. Fay Franus.

MS. FRANUS: Fay Franus, Scranton. These are just my opinions, I'd like to start by saying that. I want to set the record straight here, somebody said a couple of weeks ago that the past administration was the one that had the 57 percent tax increase, that's true, but I want to make it clear Janet Evans and Frank Joyce voted against that. Mr. Rogan and mister never going to raise taxes, you have been on this council for many years and in the past three years, I believe, you are the only council that raised taxes 81 percent. I think it's the best thing that ever happened when Janet

Evans and this council took away the receivership of the Parking Authority and stopped the blank checkbook. You voted for that, Mr. Rogan, then you turned around and you voted to pay back the 3.2 million to the Parking Authority got from Landmark Bank. That was an illegal vote. Dave Bulzoni worked at Landmark Bank back then. It never came in front of council for a vote. Janet Evans read about it in the paper. It was illegal. This council did not have to pay, this city did to the have to pay that loan back. 3.2 million of taxpayers' money that did not have to be paid back and it was an illegal transaction. We would have won in Court, but nobody wanted to do that. You said a 57 percent tax increase, so in 2014 when Bill Courtright took office he didn't have to keep that tax increase, he could have created his own budget in January, he chose not to. When does that tell you? So you, mister never raise taxes, Mr. Rogan, grandstander, 81 percent tax increase you raised on the people. People should know this.

And about the mistake last week, everybody makes mistakes, I understand that, about the budget, the amendments, but Mr. Minora, I can't understand how the attorney couldn't pick up on this, and you have been here longest on this council, Mr. Rogan, you should have known, but you didn't. And Attorney Minora didn't know so what does that tell you? You either have an incompetent attorney or you better brush up on the law.

And, Mr. Evans, you said -- what did you say, let me read what you said? You said you are going to hold your nose to vote for this budget. You know what, if you felt that way you shouldn't have voted for it.

MR. EVANS: It was difficult.

MS. FRANUS: Difficult? It couldn't have been too difficult, you voted for it.

MR. EVANS: I also voted for the amendment, the amended version.

MS. FRANUS: You could have voted against the budget as well, so you are selling the people down the river just like the rest of you. None of you up there.

How about the garbage fee? 75 percent is designated in the budget, 75 percent of the people in the City of Scranton are paying the garbage fee, $300 a year. Yet 25 percent that aren't paying, the 75 percent of us are picking up what they are not paying. That's not fair. We are paying up to the 100 percent covering what they don't pay and you have been after these people for how many years now and how come that garbage fee is not lowered this year? Why isn't in the budget that this garbage fee is not lowered. It went from 189 to 200. It shouldn't even have been 189. Senior citizens makeup a large part of this city. We have one bag of garbage a week and we are paying $300 so how is it possible that this is in the budget? It tells you that you are not for the people and then you also say 89 percent property taxes are going to be in this budget, the people you might get 89 percent, that's a wishful list. It's supposed to be a balanced budget. Balanced. Not you hope, you wish, it's not a wishful budget. It

should be real. It's probably not going to be 89 percent, like Mrs. Schumacher said. Maybe 85, maybe 87, not 89 because you wanted to keep the taxes down to 5.7 so you put that when it probably should be 6 percent, but -- and Billy Courtright should have been at this caucus to go over the budget to answer questions. He is no where to be found because he can't answer the questions.

Another thing, about the garbage fee, we have been asking for months and month about getting the figures, how much money it cost to operate the garbage pick up and how much money the people are paying in. It's really probably a tax, not a fee because then they can claim it on their income tax, but we haven't been able to get those figures. You are stonewalling us. We were told that we have to go to Court. Why should we have to go and Court when you're paying a business administrator to get these figures to us. What's his job? We are the taxpayers, we are paying your salary. We don't have a right to those figures, we have

to go to Court to get them? I don't think so. I don't think so at all, so what are we supposed to do? Lose our homes?

And I also agree, Mr. Evans, I don't know if you should be buying houses that are in foreclosures when those houses are being lost because of the taxes that you passed. I think Mr. Sbaraglia had a great idea there. I think it's unethical. So I hope you do the right thing for onces, and I don't think you will, for the people and lower the garbage fees. Too late now. Next year you'll only want to do for election year so you look good. It stinks.

MR. ROGAN: Thank you. Doug Miller.

MR. MILLER: Doug Miller, Scranton. Just in regards to the budget and just basically where we are headed to at this point heading into 2016, I mean, I guess all I could do really at this point is just continue to scratch my head and just continue to ask myself where are the common sense in our government. You know, this is the first time I have attended the meeting since we lost Mr. McGoff, and I do want to

express my deepest, you know, sympathy, and condolences to his family. To lose a loved one to such a terrible disease I do want to offer my well wishes to his family. I'm very sorry for his loss. But I often remember Mr. McGoff a lot of times talking about common sense, and on many occasions we disagreed on a lot of different things that took place here but he liked to talk a lot about common sense, and I think that's something that's very important to discuss tonight because we have to stand back and ask ourselves here, where is the common sense?

You know, we look at this budget, and I just have to ask, what was done to protect the best interests of the residents of this city? What was done to protect the interest of the many seniors that we have in this community and the many poor people that we have in this community? It doesn't take much to see it, all you have to do is just walk out these doors and go through the neighborhoods and look at the condition of the neighborhoods, and who do we blame for

that, the homeowners, or do we hold our elected officials accountable for that?

You know, Ms. Franus talked about the tax increases and certain members of this council of being a part of that. The thing that we sometimes forget is that that's all our elected officials ever understand are tax increases because that's the easy way out. The problem is there is no leadership in this city and we haven't had it in a very long time. We've had a few leaders in the past, you know, we talked about the previous council and what they did, and I sound like a broken record saying it, but believe me, I adamantly feel very strongly about this and I do believe that the best thing that past council did was allowing that Parking Authority to go into receivership because it did, in fact, take away the blank checkbook.

But when you have incompetent people making decisions in this city, it's hard to have any sense of optimism and feel that we are heading in any positive direction. To make the statement that, and I have a lot of

respect, you know, Mr. Evans for you, but to make the statement that we are going to hold our nose and vote for a budget and it was a difficult thing to do, that's the most disrespectful thing that could possibly be said to the residents of this city because we didn't elect people to hold their nose and vote on a budget, this council had an obligation to sit down and pull that budget apart and go over it line item by line item. None of this nonsense about it's the mayor's budget, he sent it down, it's not our budget. No, you have a responsibility to sit down and go through the budget and propose your own budget, introduce it. That's why you were put here. You all claim to have something to offer to the table and we haven't heard anything yet. Where is this grand plan that the residents of this city are supposed to jump on board with?

I'm not interested in Mr. Amoroso's plan. He wasn't elected by the residents of this community. Mr. Courtright claimed he was going to get this city back on track. Well, evidently, he is not even quite clear

where the tracks are at this point because we are not even close to that. We elected council members that had a vision, I haven't heard it. All I have heard is the same tired rhetoric that we hear time and time again.

I commend Mr. Gaughan, he is the only with had enough common sense to realize this budget wasn't in the best interest or is not in the best interest of residents of this community and my question is you mean to tell me that the other three didn't see that? Why was it so difficult to sit down and look at this budget and make your own amendments to it? But better yet, propose your own budget that protects the interest of the residents of this community because there is nothing left.

And here we are now at this point just looting the last remaining assets that we have left. Now, we want to sell the Sewer Authority. Ridiculous. That was not the intent of that Authority to bail out this city to cover it's pensions and meet any other obligations. That's not why that

Sewer Authority was implemented, but it's just another easy way out because we have elected incompetent people that don't have any idea and visions of their own so now we are going to sell an asset, the ratepayers get screwed once again and the residents and taxpayers are left holding the bag. Are we ever going to have leadership in this city? It's really hard to see that we are.

And, you know, we just listen to one failed plan after another and my question that I have tonight is heading into the new year will this council step up and take responsibility and do work of the people. I have a hard time believing that will happen.

And, you know, finally tonight Mr. Bolus couldn't be here this evening, but as you are aware he does have a -- he does sponsor a dinner every Christmas, and once again for the 21st year that dinner will be held at St. Pat's Church over in West Scranton and Jackson Street from 12 p.m. to 6 p.m. and he would just like extend that invitation to the residents of this city, council members and anyone else interested

in attending. It's obviously a great community event and he would just like me to pass that along. Thank you.

MR. ROGAN: Thank you. Lee Morgan.

MR. MORGAN: Good evening, Council. You know, the first thing I have here today is I really don't think the sewer deal is completely done yet, regardless of what council wants to do. I'd just like to bring up a name of Myron Walcoff who had the ability to stop the last deal with the Sewer Authority and I think that if everybody looked into that agreement they would see what actually happened and why it wasn't stopped.

I'd just like to ask any attorney in the community or any pro se I guess you would call them litigants or attorneys if they would be interested in stepping forward to try and block this. I'll give you my phone number is 570-604-1212. This is probably the worst deal this city could ever have. You know, the previous budget I had when Mr. McGoff was here I presented council with a petition that the budget be cut my 30

percent and I asked the same thing this time. This city has to cut it's budget to get it's house in order and when you take a look at deal that the Sewer Authority that everybody, you know, they are wondering how we are going to divvy all this money up, there is no money, because even taking all that money won't stabilize the pension fund. It's all make believe. It's all been make believe here for a long time. I have been at podium for probably 20 plus years. I brought up the pension problem the first time that the super majority ran. Mr. Rogan was there, I made it a point to say that that was the gorilla in the closet, and I realize how big that gorilla is.

But, you know, the sad part is we don't only lack leadership in this city we lack leadership in our country and where we are going to go I can't really tell you that. (Mr. Morgan's cell phone rings.) Well, I know where I'm going. But anyhow, look it, I just think it's really important to finally realize that there is no money here in the city. The residents have no

money left, the deal with Pennsylvania American Water, that's not a deal. Take a look at what in '68 when they founded this Authority the amount of money that was spent to create it and invest that money for inflation and then realize all of the infrastructure that goes with that and what the city is actually going to be left with after it's all said and done. We are still going to be left with obligations and liabilities, and I really think the only way to force this city to do something is to take this agreement that this council and this mayor want to present as a plan to save the city and take it into Court and ask the Court to step in and find out if there are legal grounds to block this and to stop the sale and demand that this city be put into receivership and bring people in here.

My question is where is Mr. Flynn, where is Mr. Farina and where is Mr. Blake? And, you know, when the city could have filed bankruptcy in 2012, somebody has got to -- if I was a judge I would like somebody to explain to me in 2012 why this city

didn't file for bankruptcy when it met all of the requirements, but now we are going to turn around and sell the Scranton Sewer Authority and it's just ridiculous.

And, you know, I hope that over this recess you really the council looks at it and would probably say to the mayor that this isn't the deal we want. And to be honest with you, I think it's time to start cutting budgets and start laying people off and face the reality that you could keep borrowing money until you hit the wall and you can't get anymore and after the Sewer Authority is gone it's my opinion that within five years this city will financially collapse anyhow either under the weight of incompetence or debt or both because this is not the solution to this City's problems and it never was. The solution to this City's problems was oversight of the budget and to cut the budget continually. Not to raise taxes, but to cut the budget. If you can only afford 50 employees that's how many you have. If you can afford 30 employees that how many you have, and if you can't furnish

the residents of the city with the employees that it needs then I would say to declare a state of emergency and ask the governor to bring people in here to take care of the jobs that have to be done because the truth of matter is this city is broke.

And, you know, Mr. Evans, you brought forward at the Sewer Authority meeting that that day you didn't have a suit on, and I appreciate that, but you know what, suits don't impress me. The ability to think impresses me, and I don't really see any thought here because selling people's properties and borrowing hundreds and hundreds and millions of dollars doesn't prove to me that one of you are a leader. It just means that you are a two-bit politician and you don't know the reality of the things you are doing because you don't care and why would you care because nobody in this city has cared for 50 years plus, and for a city to be distressed as long as this one has just goes to prove how much you really care. Thank you.

MR. ROGAN: Thank you. Is there

anyone else who would like to address council?

MR. SBARAGLIA: Andy Sbaraglia, citizen of Scranton. Fellow Scrantonians, why do we have to have under "B" there, I guess it's five, it must be 5-B, why is that on the agenda tonight? Usually that's covered under the budget isn't it? In other words, that money should have been in the budget because somewhere along the line that has to be accounted for that 2 percent and the wage tax, the greatest part of the budget is the wage tax.

MR. ROGAN: We discussed this in our caucus, actually the wage tax is enacted every year, and it was made permanent last year but the banks requested that this legislation be passed in order to receive the TAN. They requested that this be passed with the TAN. That's the reason why it's on the agenda tonight.

MR. SBARAGLIA: It's on -- usually it's -- why wouldn't it have been in the budget then and then you wouldn't have no need for this? If it's in the budget then

it's already passed.

MR. EVANS: Yeah, we felt that way, too, but because they put in the legislation.

MR. SBARAGLIA: You know, they did this two years ago, of course, Mr. Rogan is only one that can remember what happened when the mayor came in and forgot to put it in the budget, the business administrator didn't put in the budget two years ago, you remember that, Mr. Rogan?

MR. ROGAN: I think that was last year that happened.

MR. SBARAGLIA: No, I thought it was two years ago when he first came in. Well, maybe he first came in last year. Well, whatever. The first time the mayor come in and the first budget we got -- I mean, the first budget we got from Bulzoni that wasn't included and it looks like this is another one again. No since wasting a lot of time on it because if you don't have that you might as well declare bankruptcy because that's the greatest amount of money we get.

I don't know, you got so many things

here and you actually have to vote on -- I know you have to vote on the amendment that you made, they said it's unbalanced, but this budget was never balanced anyway. I don't even know why he made such a fuss on it other than maybe he had some plans for that million and a quarter or million and a half. Maybe he already had contractors hired and feels badly that those guys bid somebody out of a contract.

I don't like what's happening in this city. I told you before, I think the city is being looted of all of its assets and everything that they can sell and make a buck on I think it's being done. I have no faith in the City of Scranton. As you heard me say many times, if you can get out of it, get out of it. Every deal that seems to be coming before you is bad for the citizens. It's going to cost more and more money for the citizens. There is no point in being in Scranton. There really isn't. You offer nothing that Taylor doesn't offer or Dickson City or anywhere else. They offer the same thing at a lower cost. You haven't done

anything you talked about one time privatizing the DPW, naturally contracts come in, you said you liked privatizing the DPW, but you never asked legislation to do it even though it might not be done through the mayor, but you could have done it. You got to do things even though it might not get passed, but at least we got a place to point the finger at. Now, the only have a place to point the finger at is you and why should you be the front man for the mayor?

If the mayor -- a finger has to be pointed it should be at the person that's responsible for what's happening. You talk about the pension plan, which we know is in dire need, but I didn't see any of yous ask the Attorney General to appoint a special prosecutor to investigate the pension. I didn't see one of you. You said maybe something should be done, but that's the best thing they could do. The Attorney General may not be there for much longer. She is a Scrantonian. She is the person to ask to appoint a special prosecutor to investigate the pension plan and then maybe

we'll get answers, maybe we'll get good answers, but you passed -- somebody doesn't pay the garbage tax you ought to assess their houses, $3 million was taken away from the pension plan who is going to assess their houses?

MR. ROGAN: Thank you. Is there anyone else who would like to address council?

MS. SCHUMACHER: Good evening, Council. The 11th hour sale of the Sewer Authority will be my primary topic this evening. Sadly, my concern that the $50 million was a steal was proved to be accurate but there are too many unknowns to rush in in just 30 days. I do not want the city to jump at a Sewer Authority sale believing it to be a windfall and find it to be a humongous liability. I will concentrate on what I believe to be the largest unknown that could be become that humongous responsibility or liability, that is the issue of storm water as independent storm water systems will be the responsibility of the city.

At Tuesday's public hearing I asked Mr. Barrett the size of the City's independent storm water system, that being the storm water that does not combine with sewage. Mr. Barrett professed to not know the answer and that sent up a huge red flag because in front of my home, and I'm sure many others homes in the city are markings placed there just very recently, and they designate either storm water or SSA so I believe Mr. Barrett should have known the answer as, again, they were placed there in recent months.

The red flag is whether Mr. Barrett was being coy and choosing not to reveal this information because the number and liability of the property owners and the city would have to be faced prior to the sale and not be a huge whoops after the sale.

One thing is clear, storm water is the largest issue, especially in the east and probably the west mountains where there is still many open ditches. Currently the City's liability seems limited to the repair

of washout areas on the roads. Correcting the cause of the washouts could prove to be extremely expensive, probably unaffordable for the city. The city also owns many retention ponds that have not been dredged in a very long time and that is another storm water issue that could have reared its ugly head.

During the reconstruction of East Mountain Road, there was an expensive rework after tropical storm Ivan when the new drain had to be dug up and replaced with a larger diameter drain. The Crisp Avenue bridge probably would not have washed out if the stream beneath it had been dredged. Storm water is a big issue.

When addressing the correction of the serious washout areas alongside of Route 307, I learned the underlying cause of the problem needs to be addressed by the City of Scranton. Coming down the mountain, there is a parallel drainage system that is supposed to take all of the water. It is all clogged up. It is owned by the city and is supposed to be maintained by them.

Clearing out this system alone could prove to be a very, very expensive project and it's not done the water will simply continue to wash out the repairs that the state kindly made. No action should be taken until the city engineer has provided to the city and its residents the full scope of the independent storm water system with the results of any error on his part fully covered by his employer and the director of DPW has to provide an estimate for the maintenance of that system that was defined by the city engineer, including any required personnel, training, and equipment.

The second item of the 2015 revised recovery plan in category immediately upon adoption of the 2015 recovery plan that was never openly discussed and let alone acted upon. It reads: Two. The city may apply for an Act 47 grant in the amount of approximately $35,000 to review the feasibility of the creation of a storm water management authority either in connection with the actions relative to the Scranton Sewer Authority or separately as an

independent authority. The Authority will have the ability to levy storm water assessment fees under the applicable law.

Property owners, grab your wallets. Should this be the planned course of action, I would ask no action be taken until the fee is known as it may well be that property owners might be better with the 4.5 percent annual sewer fee hike than the future hikes planned by the suitor of the Sewer Authority.

I will conclude with my estimate of the financials of the deal itself. From a ratepayer standpoint, since nearly roughly $5 million in cash reserves will be retained by the American Water, this is essentially a transfer of the sewer fees we have already paid to the operation of the City of Scranton, so subtracting that amount from the $125 million Scranton's share would be about $72 million. This needs a lot of work, I hope you people are paying attention.

And finally, I would like to know, I submitted questions on a budget in written

form on the 12th of November and I have not received any responses. When may I expect those?

MR. EVANS: We'll work on that.

MS. SCHUMACHER: Never on that. Why do you even ask for them?

MR. DOBRZYN: Good evening, Council. Dave Dobrzyn, resident. Taxes paid, fees paid. I am going to put this first on the DPW employee severely injured, if not permanently, and is it possible to put a red light on that trash truck similar to a school bus? And if not then, please, get in touch with your state representatives and lobby for it because, once again, somebody drove carelessly and who's on the hook for it but the taxpayers. He will be in prison for a long time so I doubt very much if we will ever see very much money out of that person unless he is a lottery winner, annuity winner or something.

Now, I was at the sewer meeting yesterday or Tuesday, and I would like to see council request that they have a meeting here. It took me about 20 minutes after I

arrived at the college, Marywood College, to even find the place and I left for the college at 25 to from South Side, 25 to 1, and I saw very little of it, all I'm getting presented in the paper, and my comments on it are in retrospect there is a water company surcharge that you are paying on your bill for sewer plants that are owned by PA American Water outside of this area, so that's a plus for possibly some type of an agreement there. However, the pension system in it's current form needs some reform and we have to protect the money from the Wall Street nostra, $26 million was stolen from the police and firemen by Wall Street in their debacle and I'm not very forgiving about it because basically they walked off with money, and they are all happy and right after Obama took office the previous administration gave them their bonuses on top of it yet, blamed Obama for that. I mean, he has had his disappointments, but I'd like to see it fall where it lies. And as far as the sale of it, I think we are basically being

steamrolled so I don't. I don't know. I kind of regarded it as an almost done deal once the Amoroso plan was adopted.

And last week I mentioned about rental registration and the fact that we are losing money on trash and I would -- my personal opinion and recommendation is that immediately, immediately fines be levied for non-registration. I'm tired of it. There are landlords in this town that owe back 10 on 12 and 15 years. People are bold enough to run for public office that owe thousands of dollars to the city. That is disgusting. It's totally disgusting. It's enough to drive you nuts. Several of the last -- in the election before this fall two years ago, ran with owing money and there was some people that owed considerable money this spring and dropped out and I'm tired of it. I don't need to pay $300 a year to keep a clean town and a clean property and then have somebody owing 10 and 12 thousand dollars and $3,000, then on top of it they want to run for office like some holier than though. Well, excuse me, but you are not

going to get my vote.

And hopefully if we do enter into this agreement and it's, like I said, I consider it practically a done deal we won't have the usual corporate fair queens lined up with their hands out because that's why we are in the place we are over the last 12 or 15 years. Thank you and have a good night.

MR. ROGAN: Thank you. Is there anyone else who would like to address council?

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

MR. ROGAN: Mr. Wechsler, do you have any motions or comments?

MR. WECHSLER: Just a few, Mr. Rogan. The recent news about the Sewer Authority is sure to cause much debate as have already seen this evening. No one wants to sell assets, but it seems right now that a sale may be the only way for Scranton to work its way out of financial debt that a generation of leadership created. There is really no reason to rehash how this problem

occurred. The truth of the matter is now it is up to us, council and the administration and our employees to seize this opportunity and put Scranton back on a strong financial footing. The current pension system must be reformed before any monies from the sale are invested. We can't let the current pension problems remain and potentially put us back in the crises in a few years.

As we enter the new year, and council becomes more involved in this process, we as council members have the responsibility to protect the taxpayers and ratepayers. Any deal must be of a fiduciary benefit to the city. Currently the proposed deal offers some rate controls and as of right now I'm keeping an open mind.

The second item I have this evening is this morning in the paper there was an announcement on Colt's doing some cut backs on services. We were at this point last year, also. As of today, we contacted Colt's and, specifically, we were in contact with operation's director Mark McClanahan. We are requesting from them the basis -- the

information that is used for a basis to make his decisions. The first one that struck me, of course, is on East Mountain where half of East Mountain is going to be eliminated from the bus service and it may be because of the lack of ridership or a lack of profitability, but in either case I would like to see some information on how this was decided. If anyone else is interested, Colt's is going to have two public hearings next Thursday on December 17, one will be at noontime and the other will be at 6 p.m. and they will be at the new Lackawanna Bus Transit Center so I know that's this -- the amount of services that Colt's offers is very well appreciated, but I would like to just make sure that the elimination of routes does not impact ridership too severely, and that's all I have.

MR. ROGAN: Thank you. Mr. Evans, do you have any motions or comments?

MR. EVANS: Yes, thank you. I will say I totally agree that storm water issue needs to be completely vetted and one of the

questions I will have for this Sewer Authority is if Scranton is responsible for the storm water issue is that any different if it's in the SSA or a private company? So that's one of the things I want know. If anything changes if it's in the hands of the private company.

But with that said, I am encouraged by the SSA proposal for several years. It does protect the existing taxpayers in the system by saving them approximately $250 million that the ratepayers would pay under the current system and plan. Also, the plan will realize four to five times more revenue than the Amoroso plan even calls for. The system will be in the hands of a private company and I'm of the belief that the private sector in most cases will do a better job than any government in most any scenario. The fact that they can pay $195 million and keep the rates lower than a municipal authority tells me everything you need to know about a private versus public efficiencies.

Some comments were made at the

public meeting about the sale that I would like to clarify. Several times it was stated that this city council wants to put all of the money into the distressed pension plans. I think this is something that this city council has been consistent on and let me restate my position for the umpteenth time, at least, if there are not reforms, i.e., new reforms to the pension through new rules and regulations and changes with the disability and pension process, and with changes in the makeup of the Pension Boards themselves where it can be done, then I am not in favor of putting money into the severely distressed pensions. We cannot put good money into bad without real pension reform. It is simply not a sound investment but with reform it could very well be a sound investment so we will have to see how this plays out.

But the real issue the city faces is what to do with the money and make sure that every single nickle is spent properly to ensure long-term fiscal solvency. My stated goals would be to reduce debt, to reduce or

eliminate unnecessary fees and begin to eliminate nuisance taxes like the mercantile and business privilege taxes, to fund the pensions after pension reform, and to give property owners a long needed tax relief and, finally, to restructure this government in such a way that it begins to be a vehicle for growth and no longer a drag on the economy. That's all I have now. Everything else I will talk about in agenda items.

MR. ROGAN: Thank you. Mr. Gaughan, any motions or comments?

MR. GAUGHAN: Yes, I have a few. I was asked for an update on the request from the residents in the 1000 block of Myrtle Street. They requested permit parking. We did receive a letter on December 4 from Chief Graziano and as a result of this study that the police department did they found that currently the 1000 block of Myrtle Street fails to meet their requirements of permit parking. In the study it was determined that less than 70 percent of the parking spots on the 1000 block of Myrtle Street were available for off street parking

and this disqualifies the 1000 block of Myrtle Street for permit parking and the ability as currently reads in the city code, so just an update on that.

I received two requests to repair street lights that were out on Von Storch Avenue and Lind Street and our office took care of that.

And I would like to wish everyone a Merry Christmas and a Happy New Year. Thank you.

MR. ROGAN: Thank you. A number of items tonight. First I'm going to start off with something I didn't speak about too much last week. The Senate Bill 76, something that we have talked about quite a bit at this meetings, unfortunately, Senate Bill 76 which would eliminate the school portion of your property taxes was defeated by the State Senate by a tie vote, and the Lieutenant Governor came in and broke that tie, he voted against it.

The weeks prior in lead up to the vote for Senate Bill 76, myself and many friends, some speakers at council have

mentioned that people should call Senator Blake and ask him to support Senate Bill 76. I have spoken to many people who were told by Senate Blake's staff that he would be supporting Senate Bill 76 which would eliminate your school property taxes. Unfortunately, at the last minute Senate Blake voted no.

As you can tell in the tie vote, if Senator Blake would have done the right thing for his constituents in this county there would not be school property taxes. It would be an entirely different system. It would relieve the property tax burden on senior citizens and it would make homeownership more affordable for young homebuyers. I have to say although I have often criticized Senator Blake from this podium, this is the most disappointed I have ever been in a vote because he was the deciding vote.

Moving onto other issues, the Scranton Sewer Authority privatization plan, anyone who has watched these meetings over my tenure on council has known that I've

long supported privatizing the Scranton Sewer Authority for many years reasons. The main reason, as Councilmen Evans mentioned, is I'm a firm believer that the private sector can perform these services in a much more economical and better fashion than the public sector.

In addition, current state law allows upgrades on sewer utilities to be spread amongst a utilities entire rate base, so instead of under the current plan where if the Sewer Authority needs to do upgrades, which there are many that need to be done to the Chesapeake Bay EPA standards. Those upgrades under the current system would be paid for by the ratepayers in the City of Scranton and in the Borough of Dunmore. In a privatization plan, when a water company comes in they can spread that increase over all of the ratepayers throughout the entire state of Pennsylvania. So you can certainly see how the $350 million savings to the ratepayers can come about.

I also have concerns about storm water, as was mentioned by the some other

individuals, but we are going to have to deal with the storm water whether the Sewer Authority is privatized or whether it's kept in public hands. Unfortunately, because Scranton is a very old city and when the sewer systems were put in they were combined sewer systems where your sewage from your toilet and the water runoff from the side of your house all combined into the same system and were treated. It obviously makes no sense to treat rain water in the same manner that you are toilet water is treated. So something needs to be done to separate those systems to meet federal requirements regarding the EPA and that is going to be a long process so we all need to make sure to follow what's going on and how expensive that's going to be and have a good storm water management plan.

I was very encouraged when meeting with Sewer Authority officials and those involved with the deal that there may be opportunities for residents to mitigate that impact. There was just a very good article in the Scranton Times regarding the library

capturing the rain water. Many gardeners throughout the city captured their rain water for reuse to water their gardens. That is not only good for the environment, but it makes complete economic sense to recycle rain water whenever we can. So that's something that I hope that will be incentived within this plan.

Regarding privatization in general, for five years now I have long talked about the privatization of the Sewer Authority, the sale of the parking garages, and finally the privatization of our Department of Public Works. I am very hopeful that the next step in these three would be the sale of the parking garages which have been talked about. I know there is proposals with leasing or sale and, finally, the Department of Public Works should also be privatized. Not the entire department, but the refuse division. Something I have talked about again for many, many years. Although, that department has improved drastically under the current administration, I am a firm believer that

refuse can be picked up in a cheaper and more efficient manner by a private hauler than by city employees.

Finally, I'd just like, again, to wish everyone a Happy Hanukkah, a Merry Christmas, and a very Happy New Year. I will have comments of a few agenda items, but that is all for now. Thank you.

MS. REED: 5-B. FOR INTRODUCTION - AN ORDINANCE - AMENDING FILE OF THE COUNCIL NO. 11, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) ENACTING, IMPOSING A TAX FOR GENERAL REVENUE PURPOSES IN THE AMOUNT OF TWO PERCENT (2%) ON EARNED INCOME AND NET PROFITS ON PERSONS, INDIVIDUALS, ASSOCIATIONS AND BUSINESSES WHO ARE RESIDENTS OF THE CITY OF SCRANTON, OR NON-RESIDENTS OF THE CITY OF SCRANTON, FOR WORK DONE, SERVICES PERFORMED OR BUSINESS CONDUCTED WITHIN THE CITY OF SCRANTON, REQUIRING THE FILING OF RETURNS BY TAXPAYERS SUBJECT TO THE TAX; REQUIRING EMPLOYERS TO COLLECT THE TAX AT SOURCE; PROVIDING FOR THE ADMINISTRATION, COLLECTION AND ENFORCEMENT OF THE SAID TAX; AND IMPOSING PENALTIES FOR

THE VIOLATIONS", BY RE-ENACTING THE IMPOSITION OF THE WAGE TAX AT TWO AND FOUR TENTHS (2.4%) PERCENT ON EARNED INCOME FOR RESIDENTS AND ONE (1%) PERCENT ON EARNED INCOME FOR NON-RESIDENTS OF THE CITY OF SCRANTON, FOR WORK DONE, SERVICES PERFORMED OR BUSINESS CONDUCTED WITHIN THE CITY OF SCRANTON FOR THE YEAR 2016 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER. (EMERGENCY CERTIFICATE ATTACHED).

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

MR. WECHSLER: So moved.

MR. EVANS: Second.

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

MR. WECHSLER: Aye.

MR. EVANS: Aye.

MR. GAUGHAN: Aye.

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

MR. EVANS: I make a motion to

suspend the Rules to move Item 5-B to Sixth and Seventh Order to be considered for final passage based on the attached emergency certificate.

MR. WECHSLER: Second.

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

MR. WECHSLER: Aye.

MR. EVANS: Aye.

MR. GAUGHAN: Aye.

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

MS. REED: SIXTH ORDER. 6-A. READING BY TITLE - FILE OF THE COUNCIL NO. 129, 2015 - AN ORDINANCE - CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229618 ENTITLED "PIB" TO ACCEPT FUNDS RECEIVED FROM A PENNSYLVANIA TRANSPORTATION INFRASTRUCTURE BANK ("PIB") LOAN.

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

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

MR. WECHSLER: Second.

MR. ROGAN: On the question? All

those in favor signify by saying aye.

MR. WECHSLER: Aye.

MR. EVANS: Aye.

MR. GAUGHAN: Aye.

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

MS. REED: 6-B. READING BY TITLE- FILE OF THE COUNCIL NO. 130, 2015 - AN ORDINANCE - AUTHORIZING THE ISSUANCE AND SALE NOT TO EXCEED TWELVE MILLION SEVEN HUNDRED AND FIFTY THOUSAND DOLLARS ($12,750,000.00) PRINCIPAL AMOUNT, TAX ANTICIPATION NOTE OF THE CITY OF SCRANTON KNOWN AS THE TAX ANTICIPATION NOTE SERIES 2016 AWARDED TO AMALGAMATED BANK; ESTABLISHING THE FORM OF SUCH NOTE; APPROVING AND ACCEPTING A PROPOSAL TO PURCHASE THE NOTE; AWARDING AND AUTHORIZING THE NEGOTIATED SALE THEREOF TO SAID AMALGAMATED BANK; PROVIDING SECURITY FOR SUCH NOTE; MAKING CERTAIN COVENANTS IN RESPECT OF SUCH NOTE; AUTHORIZING AND DIRECTING CERTAIN OFFICIALS TO DELIVER A CERTIFICATE AS TO TAXES AND REVENUES TO BE COLLECTED, TO CAUSE TO BE MADE THE FILINGS

REQUIRED BY LAW, TO EXECUTE AND DELIVER THE NOTE, TO RESTRICT THE USE OF THE PROCEEDS OF THE NOTE; AND TO TAKE SUCH OTHER ACTIONS AS MAY BE NECESSARY OR DESIRABLE.

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

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

MR. WECHSLER: Second.

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

MR. WECHSLER: Aye.

MR. EVANS: Aye.

MR. GAUGHAN: Aye.

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

MR. EVANS: I make a motion to suspend the Rules and move item 6-A and 6-B into Seventh Order for final passage.

MR. ROGAN: At this time I'll entertain a motion that Council suspend the Rules and place Item 6-A and 6-B into Seventh Order for final passage.

MR. WECHSLER: So moved.

MR. GAUGHAN: Second.

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

MR. WECHSLER: Aye.

MR. EVANS: Aye.

MR. GAUGHAN: Aye.

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

MS. REED: 6-C, FORMERLY 5-B, READING BY TITLE - FILE OF THE COUNCIL NO. 131 2015 - AN ORDINANCE - AMENDING FILE OF THE COUNCIL NO. 11, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) ENACTING, IMPOSING A TAX FOR GENERAL REVENUE PURPOSES IN THE AMOUNT OF TWO PERCENT (2%) ON EARNED INCOME AND NET PROFITS ON PERSONS, INDIVIDUALS, ASSOCIATIONS AND BUSINESSES WHO ARE RESIDENTS OF THE CITY OF SCRANTON, OR NON-RESIDENTS OF THE CITY OF SCRANTON, FOR WORK DONE, SERVICES PERFORMED OR BUSINESS CONDUCTED WITHIN THE CITY OF SCRANTON, REQUIRING THE FILING OF RETURNS BY TAXPAYERS SUBJECT TO THE TAX; REQUIRING EMPLOYERS TO COLLECT THE TAX AT SOURCE; PROVIDING FOR THE ADMINISTRATION, COLLECTION AND ENFORCEMENT OF THE SAID TAX; AND IMPOSING PENALTIES FOR

THE VIOLATIONS", BY RE-ENACTING THE IMPOSITION OF THE WAGE TAX AT TWO AND FOUR TENTHS (2.4%) PERCENT ON EARNED INCOME FOR RESIDENTS AND ONE (1%) PERCENT ON EARNED INCOME FOR NON-RESIDENTS OF THE CITY OF SCRANTON, FOR WORK DONE, SERVICES PERFORMED OR BUSINESS CONDUCTED WITHIN THE CITY OF SCRANTON FOR THE YEAR 2016 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER. (EMERGENCY CERTIFICATE ATTACHED).

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

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

MR. WECHSLER: Second.

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

MR. WECHSLER: Aye.

MR. EVANS: Aye.

MR. GAUGHAN: Aye.

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

MS. REED: SEVENTH ORDER. 7-A. FOR CONSIDERATION BY THE COMMITTEE ON FINANCE

FOR ADOPTION - FILE OF THE COUNCIL NO. 127, 2015 - AMENDING FILE OF THE COUNCIL NO. 45, 2014, AN ORDINANCE ENTITLED "APPROVING PENALTY, INTEREST AND FEE SCHEDULE FOR COLLECTION OF DELINQUENT REFUSE FEES" TO CORRECT A TYPOGRAPHICAL ERROR IN THE THIRD WHEREAS CLAUSE, SECOND LINE, BEFORE THE WORD "INTEREST" BY INSERTING THE WORD "ADD" AFTER THE WORD "TO" AND IN THE NOW THEREFORE CLAUSE, UNDER NUMBER TWO INCLUDE THE ADDITION OF PARAGRAPH G.

MR. ROGAN: What is the recommendation of the Chair for the Committee on Finance?

MR. EVANS: As Chairperson for the Committee on Finance, I recommend final passage of Item 7-A.

MR. WECHSLER: Second.

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

MS. CARRERA: Mr. Wechsler.

MR. WECHSLER: Yes.

MS. CARRERA: Mr. Evans.

MR. EVANS: Yes.

MS. CARRERA: Mr. Gaughan.

MR. GAUGHAN: Yes.

MS. CARRERA: Mr. Rogan.

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

MS. REED: 7-B. FOR CONSIDERATION BY THE COMMITTEE ON RULES - FOR ADOPTION - FILE OF THE COUNCIL NO. 128, 2015 - REPEALING FILE OF THE COUNCIL NO. 7, 2014 AN ORDINANCE ENTITLED "AMENDING FILE OF THE COUNCIL NO. 17, 2012, (AS AMENDED) ENTITLED "ESTABLISHING A REGISTRATION PROGRAM FOR RESIDENTIAL RENTAL PROPERTIES; REQUIRING ALL OWNERS OF RESIDENTIAL RENTAL PROPERTIES TO DESIGNATE AN AGENT FOR SERVICE OF PROCESS; AND PRESCRIBING DUTIES OF OWNERS, AGENTS AND OCCUPANTS; DIRECTING THE DESIGNATION OF AGENTS; ESTABLISHING FEES FOR THE COST ASSOCIATED WITH THE REGISTRATION OF RENTAL PROPERTY; AND PRESCRIBING PENALTIES FOR VIOLATIONS" BY AMENDING SECTION 9 FEES TO INCLUDE THE INCREASES IN THE ANNUAL RENTAL REGISTRATION FEE TO $50.00 PER UNIT AND THE ANNUAL PERMIT FEE TO $150.00 PER SITE.

MR. EVANS: I would like to make a motion to table Item 7-B.

MR. WECHSLER: Second.

MR. ROGAN: A motion has been made and there's a second, on the question? All those in favor signify by saying aye.

MR. WECHSLER: Aye.

MR. EVANS: Aye.

MR. GAUGHAN: Aye.

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

MS. REED: 7-C. FOR CONSIDERATION BY THE COMMITTEE ON FINANCE - FOR ADOPTION - FILE OF THE COUNCIL NO. 126, 2015(AS AMENDED) - APPROPRIATING FUNDS FOR THE EXPENSES OF THE CITY GOVERNMENT FOR THE PERIOD COMMENCING ON THE FIRST DAY OF JANUARY, 2016 TO AND INCLUDING DECEMBER 31, 2016 BY THE ADOPTION OF THE GENERAL CITY OPERATING BUDGET FOR THE YEAR 2016.(OVERRIDE MAYOR'S VETO).

MR. ROGAN: What is the recommendation of the Chair for the Committee on Finance?

MR. EVANS: As Chairperson for the Committee on Finance, I recommend City Council override the mayor's veto of Item

7-C, as amended.

MR. GAUGHAN: Second.

MR. ROGAN: Prior to the question, Attorney Minora, would you able to explain this vote a little bit and also the ramifications if council were to pass an unbalanced budget?

MR. MINORA: Yes. First of all, the override requires a super majority by statute, Pennsylvania statute, not one of our ordinances, which in this case would require all four council people to vote in favor of overriding the veto. Any less than that the mayor's budget becomes law. If there are four votes for the override, the budget is not in conformity with the charter and the Administrative Code in that there are more expenditures than there is income or revenues for the coming year so it would have to be corrected in January with some corrective legislation. There might be some legal challenge in-between, which I can't really anticipate one way or the other, but because it doesn't conform to the charter and the Administrative Code we may be

exposed to some form of litigation.

MR. ROGAN: Thank you. On the question?

MR. GAUGHAN: Yes, on the question. I'll be voting to override the mayor's veto. As I said last week, I don't agree with the mayor's plan to add $1 1/2 million to our budget. I think it's irresponsible and I will be voting "yes" to save the taxpayers $1 1/2 million. Thank you.

MR. ROGAN: I'm going to read a little bit, just a small excerpt from the mayor's veto message, I'm going to read the entire thing. "Number three, meeting in preparation for this veto. I've had the privilege of serving as mayor of the City of Scranton for almost two years now and this is the first time I will be using my veto power. I think it is something important and worthy of note in this veto message. It speaks to the cooperative and amicable relationship that exists between my administration and council. Much of the credit for restoring relations between the mayor's office and city council belongs to

our late Council President Bob McGoff. This veto is unfortunately necessary, but only to correct a procedural error in adoption. This veto is and should not be viewed or perceived as a return to the acrimonious relationship of past or single to the broader community that the mayor and council are doing anything but putting the best interest of the City of Scranton first and foremost."

MR. EVANS: If I may, in my vote, I tend to agree with those comments, my vote to override tonight does not signal a return to acrimonious relations. It was simply a difference of opinion on one item in the mayor's budget as amended so I will be voting to override as well.

MR. ROGAN: I would just say regarding that one item I was the lone dissent vote on that amendment, but my vote tonight has nothing to do with the merits of the amendment, it just has to do with the budget being balanced. Councilmen Gaughan mentioned on the revenue side, it's actually I believe the expenditure that was taking

out -- or the revenue was taken out but not the expenditure, so it actually -- the other budget doesn't spend any less money, it just takes in less.

But, again, as mentioned in the veto message my vote and the way I look at it isn't a mater of policy, it's just a matter of correcting the numbers within the budget and having that budget conform with the law.

Anyone else on the question? Roll call, please?

MS. CARRERA: Mr. Wechsler.

MR. WECHSLER: Yes.

MS. CARRERA: Mr. Evans.

MR. EVANS: Yes.

MS. CARRERA: Mr. Gaughan.

MR. GAUGHAN: Yes.

MS. CARRERA: Mr. Rogan.

MR. ROGAN: No. I hereby declare the override of Item 7-C, as amended, defeated. Therefore, the mayor's veto is legally and lawfully sustained.

MS. REED: 7-D, FORMERLY 6-A, FOR CONSIDERATION BY THE COMMITTEE ON FINANCE - FOR ADOPTION - FILE OF THE COUNCIL NO. 129,

2015 - CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229618 ENTITLED "PIB" TO ACCEPT FUNDS RECEIVED FROM A PENNSYLVANIA TRANSPORTATION INFRASTRUCTURE BANK ("PIB") LOAN.

MR. ROGAN: What is the recommendation of the Chair for the Committee on Finance?

MR. EVANS: As Chairperson for the Committee on Finance, I recommend final passage of Item 7-D.

MR. WECHSLER: Second.

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

MS. CARRERA: Mr. Wechsler.

MR. WECHSLER: Yes.

MS. CARRERA: Mr. Evans.

MR. EVANS: Yes.

MS. CARRERA: Mr. Gaughan.

MR. GAUGHAN: Yes.

MS. CARRERA: Mr. Rogan.

MR. ROGAN: Yes. I hereby declare Item 7-D legally and lawfully adopted.

MS. REED: 7-E, FORMERLY 6-B - FOR CONSIDERATION BY THE COMMITTEE ON FINANCE -

FOR ADOPTION - FILE OF THE COUNCIL NO. 130, 2015 - AUTHORIZING THE ISSUANCE AND SALE NOT TO EXCEED TWELVE MILLION SEVEN HUNDRED AND FIFTY THOUSAND DOLLARS ($12,750,000.00) PRINCIPAL AMOUNT, TAX ANTICIPATION NOTE OF THE CITY OF SCRANTON KNOWN AS THE TAX ANTICIPATION NOTE SERIES 2016 AWARDED TO AMALGAMATED BANK; ESTABLISHING THE FORM OF SUCH NOTE; APPROVING AND ACCEPTING A PROPOSAL TO PURCHASE THE NOTE; AWARDING AND AUTHORIZING THE NEGOTIATED SALE THEREOF TO SAID AMALGAMATED BANK; PROVIDING SECURITY FOR SUCH NOTE; MAKING CERTAIN COVENANTS IN RESPECT OF SUCH NOTE; AUTHORIZING AND DIRECTING CERTAIN OFFICIALS TO DELIVER A CERTIFICATE AS TO TAXES AND REVENUES TO BE COLLECTED, TO CAUSE TO BE MADE THE FILINGS REQUIRED BY LAW, TO EXECUTE AND DELIVER THE NOTE, TO RESTRICT THE USE OF THE PROCEEDS OF THE NOTE; AND TO TAKE SUCH OTHER ACTIONS AS MAY BE NECESSARY OR DESIRABLE.

MR. ROGAN: What is the recommendation of the Chair for the Committee on Finance?

MR. EVANS: As Chairperson for the

Committee on Finance, I recommend final passage of Item 7-E.

MR. WECHSLER: Second.

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

MS. CARRERA: Mr. Wechsler.

MR. WECHSLER: Yes.

MS. CARRERA: Mr. Evans.

MR. EVANS: Yes.

MS. CARRERA: Mr. Gaughan.

MR. GAUGHAN: Yes.

MS. CARRERA: Mr. Rogan.

MR. ROGAN: Yes. I hereby declare Item 7-E legally and lawfully adopted.

MR. ROGAN: If anyone would like to address council regarding the emergency certificate, regarding the next piece of legislation, you may do so at this time.

MS. SCHUMACHER: Yes. I would take issue with the last several lines for the Year 2016, "And the same shall remain in full force and effect annually thereafter."

I understand the fiasco with the rates last year, I believe, but I believe this tax can only be in effect for three

years and next year will be the last year of this tax.

MR. ROGAN: No, this is the wage tax.

MR. EVANS: It's the LST that goes.

MS. SCHUMACHER: Pardon?

MR. ROGAN: This is the wage tax.

MR. EVANS: It's the LST that will go.

MS. SCHUMACHER: The LST?

MR. EVANS: Yes, this is the EIT, which is the earned income tax.

MS. SCHUMACHER: Okay, thank you.

MR. EVANS: You're welcome.

MR. ROGAN: Is there anyone else who would like to address council on this item specifically?

MS. REED: 7-F, FORMERLY 6-C, FOR CONSIDERATION BY THE COMMITTEE ON FINANCE - FOR ADOPTION - FILE OF THE COUNCIL NO. 131-2015 - AMENDING FILE OF THE COUNCIL NO. 11, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) ENACTING, IMPOSING A TAX FOR GENERAL REVENUE PURPOSES IN THE AMOUNT OF TWO PERCENT (2%) ON EARNED INCOME AND NET

PROFITS ON PERSONS, INDIVIDUALS, ASSOCIATIONS AND BUSINESSES WHO ARE RESIDENTS OF THE CITY OF SCRANTON, OR NON-RESIDENTS OF THE CITY OF SCRANTON, FOR WORK DONE, SERVICES PERFORMED OR BUSINESS CONDUCTED WITHIN THE CITY OF SCRANTON, REQUIRING THE FILING OF RETURNS BY TAXPAYERS SUBJECT TO THE TAX; REQUIRING EMPLOYERS TO COLLECT THE TAX AT SOURCE; PROVIDING FOR THE ADMINISTRATION, COLLECTION AND ENFORCEMENT OF THE SAID TAX; AND IMPOSING PENALTIES FOR THE VIOLATIONS", BY RE-ENACTING THE IMPOSITION OF THE WAGE TAX AT TWO AND FOUR TENTHS (2.4%) PERCENT ON EARNED INCOME FOR RESIDENTS AND ONE (1%) PERCENT ON EARNED INCOME FOR NON-RESIDENTS OF THE CITY OF SCRANTON, FOR WORK DONE, SERVICES PERFORMED OR BUSINESS CONDUCTED WITHIN THE CITY OF SCRANTON FOR THE YEAR 2016 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER. (EMERGENCY CERTIFICATE ATTACHED).

MR. ROGAN: What is the recommendation of the Chair for the Committee on Finance.

MR. EVANS: As Chairperson for the Committee on Finance, I recommend final passage of Item 7-F.

MR. WECHSLER: Second.

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

MS. CARRERA: Mr. Wechsler.

MR. WECHSLER: Yes.

MS. CARRERA: Mr. Evans.

MR. EVANS: Yes.

MS. CARRERA: Mr. Gaughan.

MR. GAUGHAN: Yes.

MS. CARRERA: Mr. Rogan.

MR. ROGAN: Yes. I hereby declare Item 7-F legally and lawfully adopted.

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

MR. WECHSLER: Motion to adjourn.

MR. ROGAN: Meeting adjourned.

C E R T I F I C A T E

I hereby certify that the proceedings and evidence are contained fully and accurately in the notes of testimony taken by me at the hearing of the above-captioned matter and that the foregoing is a true and correct transcript of the same to the best of my ability.

CATHENE S. NARDOZZI, RPR
OFFICIAL COURT REPORTER