

SCRANTON CITY COUNCIL MEETING

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HELD:

Thursday, July 9, 2015

LOCATION:

Council Chambers

Scranton City Hall

340 North Washington Avenue

Scranton, Pennsylvania

CATHENE S. NARDOZZI, RPR - OFFICIAL COURT REPORTER

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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

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

3 MR. MCGOFF: Roll call, please.

4 MS. CARRERA: Mr. Wechsler.

5 MR. WECHSLER: Here.

6 MS. CARRERA: Mr. Rogan.

7 MR. ROGAN: Here.

8 MS. CARRERA: Mr. Evans.

9 MR. EVANS: Here.

10 MS. CARRERA: Mr. Gaughan.

11 MR. GAUGHAN: Here.

12 MS. CARRERA: Mr. McGoff.

13 MR. MCGOFF: Here. Dispense with  
14 the reading of the minutes, and prior to  
15 Third Order I'd just like to announce that  
16 we did have a brief executive session prior  
17 to the meeting. This executive session was  
18 to discuss some ongoing litigation with the  
19 city.

20 MS. REED: THIRD ORDER. 3-A. TAX  
21 ASSESSOR'S REPORT FOR HEARING DATE TO BE  
22 HELD JULY 22, 2015.

23 MR. MCGOFF: Are there any comments?  
24 If not, received and filed.

25 MS. REED: 3-B. SINGLE TAX OFFICE

1 CITY FUNDS DISTRIBUTED COMPARISON REPORT  
2 2015-2014.

3 MR. MCGOFF: Are there any comments?  
4 If not, received and filed. Any Clerk's  
5 notes?

6 MS. REED: Nothing, Mr. McGoff.

7 MR. MCGOFF: Thank you. I would  
8 like to also announce that tonight's meeting  
9 at 7:30 we will be hearing -- approximately  
10 7:30 we will be hearing from Mr. Amoroso and  
11 the mayor, this was announced last week  
12 and/or confirmed last week. The time change  
13 or the time was to accommodate the schedules  
14 of both the mayor and Mr. Amoroso, so at  
15 approximately 7:30 we will be hearing from  
16 them.

17 Anything from members of council?

18 MR. GAUGHAN: I have one. The  
19 Scranton Neighborhood Summit is presenting a  
20 picnic in the park, Saturday, July 1, from  
21 12 to 3 p.m. at Nay Aug Park across from the  
22 Everhart Museum. There will be free food,  
23 attractions, free swimming for everyone,  
24 Lackawanna County's mounted unit, magicians,  
25 face painting and music and there will also

1 be free document shredding from 12 to 2 p.m.  
2 Thank you.

3 MR. MCGOFF: Anyone else?

4 MS. REED: FOURTH ORDER. CITIZENS'  
5 PARTICIPATION.

6 MR. MCGOFF: Lee Morgan.

7 MR. MORGAN: Good evening, Council.  
8 Lee Morgan. Well, today, I would have hope  
9 that the mayor and Mr. Amoroso would have  
10 met before the meeting and I do understand  
11 that there seems to be some time constraints  
12 here that President McGoff is talking about,  
13 but, you know, the borrowing money to pay  
14 the city's fire and police, the money we owe  
15 them, we could have paid that over so many  
16 millions of dollars a year and it could have  
17 been dispersed through the budget, borrowing  
18 money is not the solution to the City's  
19 problems and, you know, we have presidential  
20 candidates now that are talking utter  
21 silliness, too, about Americans working more  
22 and the truth of the matter is that  
23 Americans probably work more than any other  
24 group of people in the world, and the only  
25 problem is what's happened to our wages is

1           they have been confiscated by our government  
2           because the government has just wasted so  
3           much money over an extended period of time  
4           that everything on every level of government  
5           is bankrupt. You know, it's not just the  
6           pensions, it's just ridiculous because we  
7           just elected a governor he wants to raise  
8           the sales tax and the personal income tax  
9           and, you know, I just think that, you know,  
10          when we are talking about a city like  
11          Scranton that, you know, we have got the  
12          Adams Plaza right here, and Lackawanna  
13          College says it's an investor in the city.  
14          It's a nonprofit and it really doesn't pay  
15          anything to the city and we have got a lot  
16          of people that aren't paying in the city,  
17          and when you talk about ordinary  
18          Scrantonians there are some changes that  
19          really need to be done. The city wage tax  
20          should be cut to 1.4 percent immediately and  
21          the property tax should be reduced. The  
22          city is part of the property tax which is  
23          the only part of city itself has control  
24          over, should be cut by a minimum of 50  
25          percent, and where are we going to get the

1 money to run government? Well, it's quite  
2 obvious that the City's population base has  
3 declined over an extended period of time and  
4 instead of electing people with the vision  
5 to see that the city was shrinking and  
6 becoming poorer we just enacted higher taxes  
7 and just ignored all of the things that were  
8 going on and now I'm assuming that the mayor  
9 and Mr. Amoroso are going to come in and  
10 talk how great it's going to be to sell the  
11 parking garages off with funding which came  
12 from multiple different levels.

13 And, you know, when you take in the  
14 Sewer Authority all of the bonds that were  
15 floated and the Sewer Authority, you know, I  
16 really think the Sewer Authority should be  
17 left alone and I just think that when you  
18 elect people who don't have the ability to  
19 govern and hide from the public or enact  
20 laws that don't empower people, but really  
21 destroy them, I mean, you have to ask  
22 yourself why do senior citizens reverse  
23 mortgage their homes and why are the tax  
24 rates so high? And where are all of our  
25 investments over all of this time, and as

1           elected officials with the power of subpoena  
2           it's never been used. It's really  
3           troubling.

4                     And, you know, they are talking  
5           today on the radio, and I don't know if it's  
6           true or not, but they are talking about how  
7           Hillary Clinton came to Old Forge in the  
8           last election cycle and didn't pay the bills  
9           she had, you know, run up at the various  
10          fundraisers she was at and, you know, is  
11          that what politicians really do because we  
12          had a mayor that did the same thing here  
13          allegedly?

14                    And my point is, you know, you can  
15          keep, you know, raising fees and taxes and  
16          see where it's taken us and see where it's  
17          taken our country, I mean, we have a state  
18          that just took it's state flag down, I  
19          believe, but they don't have another flag to  
20          replace it with. We have a country that's  
21          just lost and, you know, when you look at  
22          people they are so detached from reality,  
23          but today I had an opportunity to talk with  
24          somebody who really understood what was  
25          going on, it was amazing, and he said the



1 American people will never figure it out  
2 because they don't want to see the truth,  
3 they don't want to know the truth, they want  
4 to hide between all of these make believe  
5 scenarios they have but, you know, nobody  
6 can deny that the federal government is  
7 broke or the state is broke or the county is  
8 broke or the city is broke, okay? And the  
9 average taxpayer that goes to work like  
10 myself and works just much too much losing a  
11 third of their income every week to a  
12 government that has that no discipline in  
13 spending and no obligation on it's own part  
14 to be responsible, that feels candidates who  
15 have no clue what they're going to do when  
16 they get elected because it's all about  
17 winning an election but it's not about  
18 enacting a government that moves for the  
19 benefit of the people. Thank you.

20 MR. MCGOFF: Thank you, Mr. Miller.  
21 Bob Bolus.

22 MR. BOLUS: Good evening, Council.  
23 Bob Bolus, Scranton. First of all, I'd just  
24 like to say that earlier some words were  
25 offered, a very close friend of my, I just

1 left the funeral home, Charlie Hucklewhite.  
2 His dad had worked for me many years. Bob  
3 Hucklewhite passed away the other day and  
4 there was a wake for him this evening. He  
5 was a special kind of kid. I have known him  
6 since literally the day he was born and at  
7 51 he passed away.

8 But tonight I'm here on a very  
9 serious matter. Mr. Wechsler had made  
10 comments, which I think were very  
11 inappropriate, regarding 6-B, the  
12 containers. He made the statement,  
13 Mr. Wechsler I'm quoting now, Mr. Wechsler  
14 said, "It's unfortunate that regulations are  
15 needed but some residents are not good  
16 neighbors in how they place and use  
17 containers."

18 And, Mr. Wechsler, I'm here to  
19 challenge you tonight face to face who are  
20 the bad neighbors?

21 MR. WECHSLER: Mr. Bolus, I did not  
22 mention anyone specifically.

23 MR. BOLUS: I'm asking you who  
24 specifically who --

25 MR. WECHSLER: We have had several

1 complaints in the city about trailers being  
2 parked on the street that are causing  
3 problems.

4 MR. BOLUS: No, no, not the way the  
5 ordinance is written, Mr. Wechsler, I want  
6 to know here and now who the bad neighbors  
7 are.

8 MR. WECHSLER: I just mentioned to  
9 you, people that are parking these --

10 MR. BOLUS: Like who, give me a  
11 name?

12 MR. WECHSLER: All through South  
13 Side, all through West Side.

14 MR. BOLUS: No, no, that's not a  
15 good enough answer. If they put stuff in  
16 the paper, don't bury your head in the sand  
17 --

18 MR. MCGOFF: Mr. Bolus, what you are  
19 doing is badgering.

20 MR. BOLUS: And I can tell you what,  
21 Mr. McGoff, the ordinance is directed at me,  
22 okay? You can shake your head all day.  
23 This ordinance is directed because --

24 MR. WECHSLER: You have quite a  
25 large opinion of yourself, Mr. Bolus.

1 MR. BOLUS: Pardon?

2 MR. WECHSLER: It's not directed at  
3 you, it's directed throughout the city, but  
4 if you feel that you have been a bad  
5 neighbor perhaps that's why you are here  
6 tonight.

7 MR. BOLUS: Well, I'm here to  
8 confront you face-to-face as a resident of  
9 the city and you, as a public official, that  
10 needs accountability when you make a  
11 statement publically regarding someone.

12 MR. WECHSLER: And I just explained  
13 it.

14 MR. BOLUS: And as you know in the  
15 past there has been issues regarding  
16 containers at my home on the East Mountain,  
17 okay? And I want it very, very clear that  
18 the way this ordinance is written it's  
19 prejudicial, it's very defining. The City  
20 of Scranton in the past, and I'm going to  
21 read it to you, this is the city code right  
22 here, "Trailer of a tractor trailer,  
23 commercial vehicle the length of 20 feet or  
24 more that is not self-propelled that is  
25 intended to haul materials, vehicles, goods,

1 gases or liquids and that is intended to be  
2 pulled by a tractor as defined above And  
3 that is not a recreational vehicle. Tractor  
4 of a trailer. A truck with a minimum of  
5 three axles that is primarily intended to  
6 pull a trailer as defined below and not  
7 primarily to carry goods itself."

8 That's your own definition. Those  
9 are what are on my property, and there is  
10 four of them. We went to Court. The City  
11 took me to Court over containers I had,  
12 there were three of them. They don't like  
13 the fact that they had landing gears on them  
14 and heater boxes to keep my stuff inside  
15 that we are storing because the city  
16 illegally condemned my home. I don't hear  
17 you say a word about illegal actions of the  
18 city, I didn't hear you mention anything  
19 about a neighbor who built his house over a  
20 city-owned property, and the city loss a  
21 \$50,000 bid we put on it. I didn't hear you  
22 say a word about that.

23 MR. WECHSLER: Because it has  
24 nothing to do with it.

25 MR. BOLUS: I'm not finished. Oh,

1 it does with the ordinance.

2 MR. WECHSLER: That's in your brain.

3 MR. BOLUS: No, I'm here to confront  
4 you to the statement you made, okay? It's  
5 as cut and dry as that. In the ordinance  
6 our vehicles complied with that ordinance.  
7 You are now amending the ordinance to be  
8 very specific, and it's very specific in  
9 your ordinance that you are putting in here,  
10 if I may take a moment, in the ordinance  
11 tonight the term "portable on demand",  
12 "Temporary storage containers shall be  
13 defined to be any container, storage unit,  
14 shed, light container or other portable  
15 structures specifically made."

16 Okay. "It is unlawful to convert,  
17 alter or change automobiles, trailers,  
18 tractor trailers, trailer of a tractor or  
19 any similar unit of this nature into a  
20 temporary portable space."

21 Okay? You are totally contradictory  
22 to the ordinance already in place. That's  
23 number one. What our challenge to you is  
24 the way you defined what you could put  
25 there. You can't put a 40-foot trailer, you

1 can't do this, you can't do that. What you  
2 are doing here is selectively challenging  
3 what's on my property. There are four  
4 containers. The original containers were  
5 removed in compliance with the Court order  
6 because we didn't want to sue the city and  
7 we didn't want to spend any more money  
8 playing games so I removed them. It's well  
9 documented. The containers were removed,  
10 they had been replaced. Prior to this  
11 ordinance being enacted, in here you don't  
12 put anything in here about what's  
13 grandfathered in or prior.

14 What are you going to do about that  
15 part of the ordinance on containers that are  
16 throughout Market Street, all over the City  
17 of Scranton, already in place yet you don't  
18 define on a commercial end the same  
19 containers, CVS, and others -- if I may,  
20 Mr. McGoff, this is a critical because I'm  
21 trying to avert the city spending a lot of  
22 money in legal litigation, okay? These  
23 containers are on Keyser Avenue, they are  
24 all over. We have over 400 containers such  
25 as this all over the place. It's our

1 commercial business. These are privately  
2 owned by me, number one. What are you going  
3 to do to units that are grandfathered in  
4 already on the property? You can't remove  
5 them, your ordinance does not comply to that  
6 ordinance. Do you understand where I'm at  
7 here, and I'm asking council tonight to  
8 table this and modify it to prevent some  
9 very serious litigation and discrimination  
10 against me because of the way they are  
11 defined as trailers, trailers and tractor  
12 trailers and trailers that used to be  
13 trailers and Mr. Wechsler's comments who are  
14 bad neighbors but doesn't have the integrity  
15 to discuss it.

16 Well, Mr. Wechsler worked for a  
17 local company and he was the plant manager  
18 he made the same excuse then when the city  
19 was full of illegal aliens --

20 MR. MCGOFF: Please.

21 MR. BOLUS: That he should have had  
22 that responsibility for.

23 MR. MCGOFF: You are out of order.

24 MR. BOLUS: Mr. McGoff, I'm asking  
25 for accountability from a city councilman



1 and he dozes to us sitting here and if he  
2 doesn't have what it takes then he should  
3 get the hell of the seat and resign. Thank  
4 you.

5 MR. MCGOFF: You are out of order.  
6 Doug Miller.

7 MR. MILLER: Doug Miller, Scranton.  
8 You know, just I guess in regards to 6-B  
9 it's kind of in my opinion completely  
10 ridiculous that we are even discussing this  
11 issue. I personally believe that anybody  
12 with any ounce of common sense would  
13 probably find it quite ironic that some of  
14 the issues that have taken place recently,  
15 specifically on East Mountain, where all of  
16 a sudden now this legislation just happens  
17 to find its way on the agenda, and I think  
18 it's quite safe to say that it is an example  
19 of selective enforcement, and I personally  
20 believe if you read it, I don't see how city  
21 government can tell someone what they can  
22 and cannot have on their property, I don't  
23 believe that's your call, and I personally  
24 don't believe that this ordinance will stand  
25 in Court and, quite frankly, when it is

1 passed, which I'm sure it will be, I  
2 certainly hope it is challenged in Court and  
3 I hope this city is held accountable because  
4 it's just an absurdity. All of the problems  
5 this community faces at this time the fact  
6 that we are even entertaining this  
7 legislation I just think is completely  
8 ludicrous. There's a lot of question marks  
9 with it, and again, it's selective  
10 enforcement because certain individuals have  
11 political vendettas and they want to, I  
12 guess for whatever reason abuse their  
13 ability as an elected official to hold  
14 someone accountable when, quite frankly, our  
15 priorities just aren't straight at this  
16 point.

17 You know, in regards to the meeting  
18 later on with the mayor and Mr. Amoroso, I  
19 don't see the point in it. What's the  
20 point? What are we intending on hearing  
21 tonight other than the same silliness that  
22 we hear time and time again. The same  
23 fictitious fairytale plans, raise taxes,  
24 sell assets. These aren't solutions. These  
25 are just attempts to just kill the city off

1           once and for all and you may have people  
2           seated up on this council that may not  
3           appreciate the things I'm saying, but it's  
4           reality and a lot of the residents that you  
5           speak to they see it coming. They are not  
6           fooled by what they hear from some of you  
7           and this administration. We have been lied  
8           to and we been sold down the river for a  
9           very long time because the problem in this  
10          town is we put people in these seats who,  
11          quite frankly, aren't qualified to be in  
12          these seats because they are not elected  
13          based on qualifications or what they are  
14          going to do to turn this city around, they  
15          are hand selected by an elite few my special  
16          interests who control our elections, and a  
17          very few amount of people in the city come  
18          out to vote. I mean, look at the last  
19          election, 22 or 23 percent of the voters. I  
20          mean, that basically sums it right up there  
21          in a nutshell. That's your voter base.  
22          That's pathetic.

23                        Borrowing money to pay the Supreme  
24                        Court award and paying it back over 20 years  
25                        I don't know what's that's going to do. Who

1 is going to be left 20 years from now to pay  
2 this back? That's my question. We have  
3 borrowed and borrowed and borrowed our way  
4 out of just about everything and where has  
5 it gotten us today? No where. It's the  
6 same position we were 15, 20 years ago. We  
7 haven't turned a corner at all because we  
8 have no leadership, we have people making  
9 decisions who don't base any of it on fact.  
10 We vote on sound bites. We just -- it's  
11 just really sad and it really just frightens  
12 me to think where we are going to be five  
13 years from now, ten years from now, where  
14 this city is actually going to be. The  
15 neighborhoods are dead. We have talked  
16 about trying to have a vibrant downtown,  
17 look around, the downtown is dead. Look at  
18 the millions and millions of dollars that  
19 was invested in that downtown. Maybe all of  
20 that money should have been invested into  
21 the neighborhoods, but then again, we blame  
22 the wrong people for the problems we have in  
23 the neighborhoods and that's what really  
24 just gets me is we want to put it on  
25 landlords and people who just aren't the

1           cause of the problem.

2                         We need to start holding our elected  
3 officials accountable. Those who have  
4 raised taxes and put us where we are today.  
5 Take a look at the amount of taxes and  
6 properties throughout this community and  
7 what have we ever done about that? Nothing.  
8 We just continue to let it happen. And the  
9 reason for that is real simple, this  
10 definitely it brings you back to just the  
11 reality of everything, the people that we  
12 elect they don't care. They don't care  
13 about the people in this city, that's not  
14 all elected officials, but the good majority  
15 of the people we elect they are not looking  
16 out for us, they are looking out for  
17 themselves and where they can advance their  
18 career, what next step can they take, how  
19 can they take themselves successful. And  
20 that's the real sad about the political  
21 arena is that the majority of the people  
22 that we elect aren't in it for the right  
23 reasons and those that actually do care and  
24 want to make a difference they don't have a  
25 chance because they don't have a special

1 interest behind them, they don't have the  
2 money behind them, and the little guy is  
3 just going to keep getting kicked to the  
4 curb and battered around the pinata. I just  
5 don't -- this city is right now headed for  
6 disaster and I think the only thing we  
7 should be talking about tonight with the  
8 mayor and Mr. Amoroso, not a failed recovery  
9 plan, but maybe we should start talking  
10 about reality and that's bringing in a  
11 receiver and looking at bankruptcy because  
12 that's where we are right now. You can fool  
13 yourselves, but you can't fool the residents  
14 of this city. Thank you.

15 MR. MCGOFF: Ron Ellman.

16 MR. ELLMAN: Hello, Council. Ronnie  
17 Ellman. I'm so tired picking at you guys  
18 every week and Mr. Minora and Mr. Amoroso,  
19 I'm going to take a vacation for a week.  
20 With your permission I got a couple of  
21 things that of the subject a little bit, but  
22 I found it very interesting, they relate to  
23 the city sort of. Now, think of this, in  
24 1933, what's that 82 years ago, 1933  
25 sometimes me and others complain the city is

1 not getting things done. A congressman from  
2 Illinois named Brittany brought up a bill in  
3 Congress to prohibit American flags, badges,  
4 all of that Fourth of July stuff from being  
5 imported from foreign countries. 82 years  
6 ago, and nothing has been done and the  
7 reason he was so mad someone noted that his  
8 little American flag lapel pin was made in  
9 Japan. That's a true story.

10 And two days before this happened  
11 this is about not getting things done, too,  
12 two days before this a Mr. Harrison from  
13 Mississippi introduced a bill to prohibit  
14 all of the dumping of foreign goods on our  
15 soil. Isn't that something? All of these  
16 engineers and nothing. Two important bills  
17 and nothing ever come of them. They were  
18 talking about buying American goods before  
19 the stockmarket crashed, an organization  
20 started to buy American good. They had  
21 signs and posters and in the movies they had  
22 trailers, buy American steel, by American  
23 cars, and use American labor, everything  
24 American. I bet not a one of you can make a  
25 guess, this was a big organization 80 years

1           ago, I don't know how they are now. Anybody  
2           make a guess who that country could be?  
3           KKK. Isn't that something? 82 years ago.

4                        I don't know, you can change -- you  
5           can change the flag and pull it down and you  
6           can't change history, get rid of pictures  
7           and statutes and everything else, it's still  
8           going to be there. I got one other little  
9           quip here, this one surprised me, about  
10          George, the father of our country, he made a  
11          statement, now, listen to it because I guess  
12          it's old English or something, at every  
13          place of trust today put none but Americans  
14          on guard. You know what that means? No  
15          foreigners, all Americans. The father of  
16          our country said that.

17                       MR. MCGOFF: He was an isolationist.

18                       MR. ELLMAN: Well, it surprised me  
19          that, you know, that this man would say  
20          something like that but I never read much  
21          about it. Last night I was reading about  
22          the seventh president, after I saw it on TV,  
23          Andrew Jackson. He had trouble I think in  
24          the 1830's with South Carolina, did you know  
25          they wanted to succeed from the union?



1 MR. MCGOFF: Nullification crisis.

2 MR. ELLMAN: Have you read the  
3 letter that he wrote them?

4 MR. MCGOFF: I'm sorry?

5 MR. ELLMAN: Did you ever read that  
6 lengthy letter that he wrote the government  
7 of South Carolina?

8 MR. MCGOFF: I don't know offhand.

9 MR. ELLMAN: Page and pages, I  
10 couldn't believe it. This is  
11 another educated man. He didn't go to  
12 college or nothing, you should read that  
13 letter. Well, thank you for letting me get  
14 off the subject, you know. Next week I'll  
15 come back in my badmouthing everybody,  
16 especially you. Anyone else who wishes to  
17 address counsel?

18 MR. SBARAGLIA: Andy Sbaraglia,  
19 citizen of Scranton. Fellow Scrantonians,  
20 let's look at reality for a change. If the  
21 mayor goes ahead with a plan to borrow it's  
22 going to cost the taxpayers over the life of  
23 the agreement \$50 million. You have to look  
24 at that, the total picture, not just 24 or  
25 26, and then you got to watch and make sure

1           that for the election coming up that he  
2           doesn't incorporate paying off the bond for  
3           a few years with the borrowing, that could  
4           happen because it happened before, it can  
5           happen again.

6                        Okay, let's look at the state of the  
7           pension. According to everybody we got  
8           about three and a half years left in the  
9           pension. If the state takes that pension  
10          over how much are we going to mandate to pay  
11          to bring that up to par and over what term?  
12          You may be talking another \$15 million a  
13          year to bring them up to par if they only  
14          wanted three years. You got to look at that  
15          and got to tell the people what to expect.

16                       Now you are talking about a changing  
17          the mercantile and business privilege, how  
18          many of you people up there own a business  
19          that would be effected by this? Okay, do  
20          you expect your taxes to go up or down? I  
21          know I expect mine to go up 20 percent.

22                       MR. EVANS: What taxes, mercantile  
23          tax?

24                       MR. SBARAGLIA: The tax you are  
25          paying, mercantile and business privilege.

1 MR. EVANS: Well, if they're  
2 eliminated they would go down.

3 MR. SBARAGLIA: You're expecting  
4 yours to go down; right?

5 MR. EVANS: Yeah.

6 MR. SBARAGLIA: Someone else is  
7 expecting theirs to go up and, I know it,  
8 and they are going to go to Courts, they are  
9 going to fire people, the best way to lower  
10 the "K" tax is fire people then you don't  
11 have that many employees left. That could  
12 happen, everything could happen.

13 MR. EVANS: According to the  
14 information we received recently there are  
15 2,400 businesses that would pay a payroll  
16 tax and there is approximately 340 that are  
17 paying the mercantile tax. What that tells  
18 me is that it would be a broader, more equal  
19 tax because people aren't paying the  
20 mercantile tax now anyway. It's a volunteer  
21 tax that probably one-third of the  
22 businesses are paying.

23 MR. SBARAGLIA: Why aren't they  
24 paying?

25 MR. EVANS: Why aren't they paying?

1 MR. SBARAGLIA: Yeah.

2 MR. EVANS: I'd like to know why  
3 they're not paying.

4 MR. SBARAGLIA: Well, there you go,  
5 there's the reason. It's not being  
6 enforced, obviously, but the poor taxpayer  
7 in the home as soon as he misses a  
8 payment --

9 MR. EVANS: Yeah.

10 MR. SBARAGLIA: -- he gets on the  
11 delinquent list and then you are going to  
12 accelerate with this land bank, take  
13 people's property faster.

14 Okay, let's look at these things.  
15 These are the total pictures. I'm lucky.  
16 With any luck I only have about seven years  
17 left so I'll miss all of this junk that's  
18 going to happen, but it would behoove me if  
19 I didn't bring it out, and tell the people  
20 what's happening because they got to know.  
21 I don't know what's wrong with you, you  
22 should get out there and be telling people  
23 everything you can and what to expect. Me,  
24 I tell them to get the heck out of the city  
25 if you can. If you are a renter, move. If

1           you got children that is small when they hit  
2 college age, get them out because this city  
3 is no good anymore. I paid high taxes when  
4 I worked to keep my grandmother, mothers, in  
5 their homes. You raised the real estate tax  
6 up where they can't afford it and can't care  
7 less and still nitpick everything you can  
8 nitpick. How long before you charge people  
9 for parking on the streets, which is  
10 probably on your mind, too? Look how much  
11 money you can make from everybody that parks  
12 on the street could pay a fine -- I mean a  
13 fee to park on the street? That's probably  
14 on your mind, too. Don't ever criticize the  
15 English for what they did to your relatives  
16 in Ireland because you are doing the same  
17 thing to us now. Thank you.

18                   MR. MCGOFF: Anyone else?

19                   MR. DOBRZYN: Good evening, Council.  
20 Dave Dobrzyn, resident. Taxes and fees  
21 paid, not without some pain. First of all,  
22 I'd like to start off with trade packs once  
23 again. I don't have the numbers tonight,  
24 but if you tired of depressed wages plus  
25 taxes coming in, let's start to lobby for a

1 change. People spread the manure up the  
2 hill instead of down the hill for a change.  
3 It smells better that way.

4 Streets, how many people up there go  
5 over Moosic Street on a nature daily basis?  
6 Isn't it horrible? That was two years ago.  
7 Now we just passed an ordinance; am I not  
8 correct?

9 MR. WECHSLER: It doesn't apply to  
10 state roads.

11 MR. DOBRZYN: What's that?

12 MR. WECHSLER: It does not apply to  
13 state roads.

14 MR. DOBRZYN: It doesn't apply to  
15 state roads. Okay, well, at any point we  
16 should try to do what we can because that is  
17 a sin and it's happening all over towns, so  
18 the sooner we can expect and enforce these  
19 diggings by utilities, I think we are all be  
20 in a better frame of mind.

21 On tax exempts, we really need to  
22 look into going after the state for  
23 compensation because it's their constitution  
24 and our constitution, but I think a lot of  
25 people just love passing us the bag, the

1 empty bag here.

2 And on the bond issue, I'm willing  
3 to listen, I think it's preferable to  
4 selling things.

5 Tax sales. Ma Schumacher brought up  
6 a few weeks ago there is a considerable  
7 amount of property being acquired under tax  
8 sales and the titles aren't pursued and  
9 there is no deeds, no back taxes paid and  
10 etcetera, is that something we should be  
11 looking into? It sounds like a lot of money  
12 and it's not right that somebody should be  
13 able to buy something and not paying taxes  
14 on it for five or six years and then all of  
15 a sudden rush in when they finally have a  
16 need for it or find they can make a dollar  
17 on it.

18 Now, I'm glad Pat is back because I  
19 had a few questions on the mall and I feel  
20 that in order to correct the problems of the  
21 past we have to recognize the problems of  
22 the past. Do you have any idea how much  
23 actual money of these grants and so forth  
24 and loans that were supposed to be shelled  
25 back to the city how much money are we out

1 approximately?

2 MR. ROGAN: I've actually been going  
3 back and forth with OECD on this for the  
4 last two weeks, there is a number -- part of  
5 this is there is a number of ways to  
6 interpret whose money it is. Many of the  
7 programs were federal dollars that were  
8 given to the city, that were given to the  
9 Steamtown Mall Associates. There were state  
10 dollars that were funneled through.

11 Regarding money that the city is out  
12 currently, it would be the Section 108 loans  
13 that Mr. Boscov referenced, but there are  
14 also other loans that if they were paid back  
15 those funds would have been available for  
16 other economic development projects in the  
17 city and that's what I'm trying to get to  
18 the bottom of and that's where its gets a  
19 little bit confusing, but I have been  
20 working with Ms. Aebli on trying to get to  
21 the bottom of that.

22 MR. DOBRZYN: So I'll leave a  
23 question mark by the 108's, they would be  
24 paid back to the federal government?

25 MR. ROGAN: They would come off our



1 line of credit, the allotment we receive  
2 from HUD each year, so if they are paid  
3 basically we will have fewer federal dollars  
4 to use for total community programs.

5 MR. DOBRZYN: So in reality it's  
6 just kind of the money we are out.

7 MR. ROGAN: Correct.

8 MR. DOBRZYN: It's millions and  
9 millions. Now, what was the number of the  
10 other or any kind of title to the other  
11 loans that you mentioned other than 108?

12 MR. ROGAN: I think some might have  
13 been through the UDAG program. I have all  
14 it on my computer at home because I have  
15 been going back and forth, there is I think  
16 three or four different programs that we  
17 use. So there is a number of different  
18 programs.

19 MR. DOBRZYN: So, in other words, if  
20 you really interpret it liberally in our  
21 favor it might be ten or --

22 MR. ROGAN: That's the way I  
23 interpret it, the city is out tens of  
24 millions of dollars because of the loan  
25 default.

1 MR. DOBRZYN: Right. Right. Okay.  
2 Well, maybe you can brush over it with your  
3 busy schedule and, you know, figure it out a  
4 little better, but it's really we need to  
5 hold a seminar on these type of things and  
6 decide where we went wrong and we have to  
7 avoid them down the line. I was glad  
8 everybody stood their ground a few weeks  
9 ago. Hopefully the mall won't go to a  
10 non-profit, but what can you do. Thank you.

11 MS. SCHUMACHER: Good evening,  
12 Council. Marie Schumacher.

13 MR. GAUGHAN: Good evening.

14 MS. SCHUMACHER: I have to agree  
15 with Andy and thank him for what he is  
16 saying and I keep reckoning back to the  
17 caucus probably a month or so ago now where  
18 the people that, I don't know if we have  
19 hired them yet or not to do the tax  
20 collections, attitude was, "We know who has  
21 checkbooks."

22 Well, you all know the property  
23 owners have checkbooks and if they can they  
24 are going to use their checkbooks rather  
25 than lose their home, but it is getting

1           somewhat ridiculous. We don't go after the  
2           people who don't pay, again, it was just  
3           brought up, and I did the calculations on  
4           those properties and if anybody is  
5           interested I have all of the information  
6           here, but the properties that were -- that  
7           were okayed by council in May of 2010, if  
8           you take what they agreed to purchase price  
9           and the taxes that hadn't been paid to date  
10          we are, the taxpayers are, the property  
11          owners, getting socked with \$70,221.

12                        Now, I don't know if the Pittsburgh  
13          Plan, and Mr. Evans probably does but he has  
14          left the dais, but one of the things I hope  
15          he adds to his August project of getting a  
16          mater plan together is making a list of  
17          items where we need help from our state  
18          legislators. If the Pittsburgh Plan truly  
19          allows somebody to come and offer to buy a  
20          property and then let it sit or even use it,  
21          as I believe some of these properties are,  
22          for five years, not pay the purchase price  
23          for \$100, you can really hold a property for  
24          five years and not pay the amount or pay the  
25          taxes on it? If it's not -- can you wait

1           until Fifth Order because I have some  
2           things--

3                     MR. GAUGHAN:    Sure.

4                     MS. SCHUMACHER:  Thank you, but  
5           that's one example and now this debt that  
6           you are going to put on.  I mean, my  
7           generation paid for their college, it was  
8           affordable with some pinched pennies and  
9           dollars, but today's generation are coming  
10          out with debt equivalent to a home mortgage  
11          and now we are going to put on -- put them  
12          further into debt, they may not have even  
13          lived here.  And I agree with Andy, I don't  
14          know any reason why anybody if they are  
15          young don't even think about buying in  
16          Scranton.  You got the high taxes, you have  
17          got the high wage tax, it's just -- it's  
18          crazy and it's got to stop someplace.

19                    And I, again, Mr. Evans has left,  
20          but I would like to know what the chances  
21          are that the rental registration revision  
22          will be on the agenda prior to the August  
23          recess, which you are taking a recess,  
24          right, that's been established or not yet?

25                    MR. MCGOFF:  We have not decided.

1 MR. SCHUMACHER: I wasn't sure.

2 MR. MCGOFF: But probably.

3 MS. SCHUMACHER: Now, the Third  
4 Order items, you know, week after week they  
5 are read into order but, you know, I just  
6 wish people would sit down and read them. I  
7 obtained the minutes from the Non-Uniform  
8 Municipal Pension Board meetings for the  
9 year of 2007, and if somebody had just read  
10 I'm sure their eyes would have been opened.  
11 The very first meeting of the year, January  
12 24, 2007, someone asked if the pension was  
13 double with the benefits as the people who  
14 received this in 2002. The attorney told  
15 them they would receive the same as those  
16 who retired in 2002. Certainly that should  
17 have caused somebody if they were truly  
18 naive whiplash to get on the phone and say,  
19 "What do you mean we are paying double  
20 pensions?"

21 But yet this council has not taken  
22 any action to even request that the second  
23 pension or the second half of the double  
24 pension be put in escrow until this matter  
25 is settled? Because why? Oh, yeah, the

1 good old property owners have checkbooks,  
2 you can always come back to them.

3 So I'll bring the rest back next  
4 week. Thank you.

5 MR. ROGAN: I just want to address  
6 two of those points that were brought up.  
7 The first one regarding those minutes, and  
8 we do receive the minutes from the Pension  
9 Board meetings, and I think we all read  
10 them, the minutes you are referring to in  
11 2007 I don't believe any of us up here were  
12 on city council at that point in time to  
13 have even seen that.

14 Secondly, regarding the double  
15 pensions, ever single one of us on here  
16 wants the double pensions to stop, there is  
17 no question that. We have spoken to our  
18 attorney about what actions, if any, city  
19 council could take and at this point in time  
20 the hearings are, you know, proceeding and  
21 it will be worked out through the Pension  
22 Board, which council does have a vote on,  
23 how we would use that vote would be a  
24 collaborative decision I guess between all  
25 of us on the Board if we could reach a

1 consensus, but council is very active on  
2 this issue since the day is started.

3 Unfortunately, we do not have the  
4 authority to stop a pension payment. That  
5 rests with the Pension Boards so that's why  
6 there hasn't been much done legislatively by  
7 city council, but it is an issue we are very  
8 concerned about as I mentioned last week  
9 regarding the investigation as well. Sorry  
10 about that.

11 MS. HODOWANITZ: Joan Hodowanitz,  
12 city resident and taxpayer. I have been  
13 living in downtown Scranton for 16 years and  
14 this is the first year that I attended the  
15 Fourth of July festivities at courthouse  
16 square and I was very pleasantly surprised.  
17 It was a very well done event. The music,  
18 fireworks, very family oriented affair. I  
19 didn't see any incidents whatsoever, even  
20 the weather cooperated. Only one  
21 disappointment, when they did the 1812  
22 overture they failed to use actual cannons.  
23 In the Army, we used the howitzers. You  
24 need to fix that next year. That's true.  
25 36 Army band of Arizona we always used

1 cannons and it worked very well.

2 With regard to Mayor Courtright's  
3 appearance later tonight, since it is a  
4 public caucus you will be the only ones with  
5 an opportunity I assume to ask the mayor and  
6 any staff who is with him questions;  
7 correct?

8 MR. MCGOFF: Correct.

9 MS. HODOWANITZ: So it then becomes  
10 your responsibility to represent us citizens  
11 and ask some very hard and pointed  
12 questions. Do not simply be in receive  
13 mode. Listen with a critical ear and a  
14 critical eye and you need to ask the hard  
15 questions about taking on another bond for  
16 the Court award. You need to ask the hard  
17 questions on what's going on with the  
18 pensions. It's not enough to say, well, you  
19 know, we will take out a bond and we'll pay  
20 off that Court award so we don't have a  
21 \$100,000 in interest every year and it will  
22 make us look good with the banks, you have  
23 to ask those hard questions about those  
24 20-year repayment, what is the total cost to  
25 the taxpayer, and who does Mayor Courtright



1 think is going to be here 20 years from now  
2 to pay it off? Those are legitimate  
3 questions.

4 The same things goes with the  
5 pensions, the monetization of the Parking  
6 Authority, the Sewer Authority and so on and  
7 so forth. We cannot ask questions, you have  
8 to ask them for us. Do not let him get off  
9 with a cute pony and dog show. You know, we  
10 can't ask them, you must ask them for us.

11 Where do we stand with the 2015  
12 operating budget? We are in the seventh  
13 month of the year. Are revenues and  
14 expenditures where he expected them to be?  
15 If there is a shortfall what is he doing  
16 about it? You know, you are going to turn  
17 around twice and he is going to be giving  
18 you a 2016 budget. Are we looking at  
19 another deficit? Are we going to miss the  
20 December 31 pension MM0? What kind of  
21 interest are we going to be paying on that?  
22 We have already got a couple of holes in the  
23 budget that weren't anticipated.

24 I hope that you have come prepared  
25 with a list of questions or if you haven't

1           you need to be writing as soon as he starts  
2           talking. And I hope that it's not a mayor  
3           giving a few introductory comments and then  
4           passing the baton to Mr. Amoroso. I did not  
5           elect Mr. Amoroso. I didn't elect Mayor  
6           Courtright, but Mayor Courtright is my  
7           mayor. I want to hear him talk, I want to  
8           hear him explain, I want him to answer the  
9           hard questions and I hope down the road in  
10          the not too distance future he will schedule  
11          a town hall meeting so that the citizens can  
12          ask him some of these questions directly  
13          because we are owed some answers by now. He  
14          has been in office over 18 months. He  
15          should know what he is a doing. Thank you.

16                   MR. GAUGHAN: Thank you.

17                   MR. MCGOFF: Thank you, Mrs.  
18          Hodowanitz. Anyone else who wishes to  
19          address council? Please go to Fifth Order  
20          and start.

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

22          MOTIONS.

23                   MR. MCGOFF: Mr. Wechsler?

24                   MR. WECHSLER: Thank you,  
25          Mr. McGoff. In regard to the bond for the

1 judgment, I share some of the concerns also  
2 that have been mentioned this evening. I  
3 also am quite concerned that each day and  
4 each month, each year, the amount of money  
5 that we owe on that also grows so there does  
6 have to be an evaluation on what it does for  
7 us to get that off our books and perhaps fix  
8 it over the long-term, but that's a question  
9 that we have to determine. But I do agree  
10 with the fact that we have been looking at  
11 getting this judgment settled and I do  
12 congratulate the mayor and Business  
13 Administrator Bulzoni for the work the he  
14 has done to date on this.

15 Last week we talked about the  
16 possibility of liening citizens who have not  
17 paid their garbage tax. We have researched  
18 it this week and NRS does have the ability  
19 to file liens against delinquent tax garbage  
20 bills. So we will be working with them and  
21 also with the administration and also  
22 Treasurer Wayne Beck to see what process we  
23 have to go through right now to be  
24 determined, some of them will be which bills  
25 are collectable, how far back it would go,

1 but we have to get started on this because I  
2 don't I think it's very fair that everyone  
3 pays their garbage bill and some people  
4 don't and there is no repercussion when they  
5 don't pay, so I'm very anxious to get this  
6 moving forward.

7 As was discussed in caucus, there  
8 has been some activity in regards to parking  
9 garages and the only reason why I mentioned  
10 this is wanted to bring three things  
11 together that we have been talking about.  
12 We hear a lot about bankruptcy and I'm not  
13 in favor of bankruptcy and right now I'm not  
14 in favor of receivership, and part of the  
15 reason why actually, even though as bad as  
16 things seem, just the three things that I  
17 have mentioned are one of the reasons why we  
18 are really right now are not eligible for  
19 receivership or bankruptcy.

20 Number one, we do have the ability  
21 to issue bonds. A bankrupt city can't do  
22 that. We do have uncollected garbage fees  
23 out there, millions off dollars of garbage  
24 fees. That's another reason why you  
25 probably can't enter into receivership. The

1           third, we do have assets that we can either  
2           lease or sell, the parking garages and/or  
3           the Sewer Authority. So as we talk about  
4           bankruptcy it really right now I don't see  
5           the state allowing us to go into  
6           receivership or bankruptcy. We really have  
7           to go through all of these exercises that we  
8           are going through before that's a  
9           possibility and then hopefully, and I'm  
10          hopeful, in my judgment that we will be able  
11          to avoid it because of the creative things  
12          that we are working now and some other  
13          things that we are doing.

14                   I just want to make a quick comment  
15          about what Mr. Bolus had to say tonight. If  
16          you were listening at the end, Mr. Bolus  
17          said these trailers are all over the city.  
18          He is correct. They are several trailers  
19          all over of the city. My guess would be the  
20          ones that are there will be grandfathered  
21          in, that will be my guess because they are  
22          here for years and years, but by his own  
23          comment that's why we need this type of  
24          legislation. We need to get some control  
25          over these storage trailers that are

1 throughout the city and placed on the  
2 streets and placed on people's property that  
3 are an eyesore sometimes if they are not  
4 maintained properly.

5 So this legislation was not targeted  
6 to Mr. Bolus. I feel bad that he feels that  
7 way. He has had his problems with the city  
8 in terms of some trailers that he has on his  
9 property, but this is legislation that came  
10 from the administration through the LIPS  
11 Department and I can tell you that I was not  
12 involved in the preparation of this as a  
13 target for Mr. Bolus, but, like I said, sa  
14 he stated, it is a requirement that we get  
15 this things under control. That's all I  
16 have at this time. Thank you.

17 MR. MCGOFF: Mr. Rogan?

18 MR. ROGAN: Yes, two very, very  
19 brief points, I will do most of my comments  
20 and questioning during the public hearing.  
21 I am thankful that the mayor and Mr. Amoroso  
22 are coming into tonight. Despite what some  
23 say this mayor, Mayor Courtright, in 18  
24 months has to been to city council more than  
25 the previous mayor has been for 12 years so

1 we certainly appreciate him and Mr. Amoroso  
2 and other members of the staff coming in to  
3 answer some questions for city council.

4 Secondly, regarding the Court award,  
5 obviously nobody -- there is nobody in the  
6 city government that wants to take on more  
7 debt, but we are currently paying 6 percent  
8 interest to have a debt continue to grow but  
9 not be paid off. By issuing the bonds,  
10 hopefully at a favorable rate, yes, we will  
11 still be paying interest but the debt will  
12 be paid off it and won't continue to grow as  
13 it currently is. As one of the speakers  
14 mentioned, we are paying nearly \$100,000 in  
15 interest per month currently and the debt is  
16 only growing, it's not even being paid off  
17 to the unions, so that is all. Thank you.

18 MR. MCGOFF: Mr. Evans?

19 MR. EVANS: Just a brief comment  
20 about the award and the possible financing  
21 of it, the only thing I want to bring up,  
22 and I mentioned this many, many times  
23 before, if we finally pay off this award I  
24 would expect and I would appreciate if the  
25 unions would participate in this by taking a

1 good portion of that money and funding their  
2 pension plan with it. I'm not sure if this  
3 has been a discussion between the  
4 administration and our unions, but I think  
5 it's appropriate, that we have the worse  
6 pensions probably in the state and I think  
7 that if we are going to pay out or borrow  
8 \$24 million I feel there should be some skin  
9 in the game from the unions to put some  
10 money into their own distressed pension  
11 plan. The rest of my comments will be  
12 reserved for the public hearing.

13 MR. MCGOFF: Mr. Gaughan.

14 MR. GAUGHAN: Yes, thank you.

15 First, I would just like to thank Mary  
16 Gaughan, who is in the audience tonight. We  
17 may or may not be related, I'm not sure, we  
18 are still researching that, but she gave me  
19 a beautiful card for my grandmother who  
20 passed away last April, so I really  
21 appreciate that.

22 MS. GAUGHAN: You are very welcome.

23 MR. GAUGHAN: Residents contacted me  
24 and would like the garbage and recyclable  
25 pickups to be put on the city's website,



1           which I think possible and makes a lot of  
2           since, so we will this week contact DPW and  
3           the IT Department to see if they can make  
4           that happen. July 13 through the 17 the  
5           street sweeper is scheduled to be in the  
6           South Scranton area from Cherry Street to  
7           Breck Street.

8                        I do have an update on the Land Bank  
9           Authority, as you know a few weeks ago the  
10          county passed and authorized an ordinance  
11          that created the Authority. I spoke to  
12          George Kelly, who was in charge of the  
13          Lackawanna County Office of Economic and  
14          Community Development, the first step that  
15          the Authority Board -- the Authority has to  
16          take is to appoint members. The second step  
17          is the policies, procedures and practices of  
18          the bank must be established and approved by  
19          the Board and then an intergovernmental  
20          cooperation agreement will be adopted by the  
21          land bank and the City of Scranton.

22                       Also, keep in mind that the school  
23          board has to agree to participate and agree  
24          to the policies, procedures, and practices  
25          of the land bank.

1                   There are numerous potholes on  
2                   Morris Court in West Scranton that neighbors  
3                   would like to be patched and our office has  
4                   spoken with DPW and they are going to put  
5                   that on the list.

6                   A gentleman had contacted me last  
7                   week about making west Elm Street a one-way  
8                   from Meridian to South Sixth Avenue. City  
9                   engineer John Pocius performed a site visit  
10                  and its his professional opinion that making  
11                  this block one-way will not have any impact  
12                  on speeding vehicles. We did make Chief  
13                  Graziano aware again that the residents in  
14                  this area are really concerned about  
15                  speeding.

16                  And that is all I have for this  
17                  week. Thank you.

18                  MR. MCGOFF: Thank you. A couple of  
19                  responses. First of all, the meeting  
20                  tonight with Mr. Amoroso was really at the  
21                  behest of the public. People have asked us  
22                  repeatedly if we could hear from Mr. Amoroso  
23                  and the mayor. Council, too, has been  
24                  awaiting it, but that was not something  
25                  that, you know, just council wanted. This

1 is something that people have asked for and  
2 thankfully we are having this meeting this  
3 evening and, as was said, it's nice to see  
4 the mayor in the council chambers again,  
5 this has not happened very often in the past  
6 and hopefully we will see more of it in the  
7 future.

8 Also, as was mentioned, as far as  
9 the pensions are concerned, the double  
10 pensions, and I know we spoke last week  
11 about investigations and, you know, all of  
12 that, we rely upon our solicitor for advice  
13 when it comes to these legal matters and  
14 it's not that we don't wish to pursue  
15 things, it is not in the best interest of  
16 the council based on the solicitor's advice  
17 to pursue anything at this time, and whether  
18 that's perceived as not being involved and  
19 not having some interest in that would be  
20 wrong. We are greatly interested in the  
21 double pensions, it would be nice to see  
22 what would happen, what's going to happen  
23 with the arbitrations, it would also be  
24 helpful to find out what's going to happen  
25 or what happened with the state police

1 investigation, where it's at, whether there  
2 is ever going to be anything published and  
3 when those things happen then we can see  
4 what we recourse we have as a city council.

5 As far as bankruptcy, Mr. Wechsler  
6 brought it up, in August of 2016 PEL will  
7 make a recommendation to the state as to the  
8 status of the City of Scranton whether it  
9 could be granted another few years to get  
10 out of distressed status or whether it, you  
11 know, has no future and will need to go into  
12 receivership or bankruptcy. Until that  
13 time, we are doing our best to avoid the  
14 possibility of receivership and bankruptcy  
15 and I think we have made strides towards  
16 that. A lot of our things that are ongoing  
17 may be not spoken about, but we as a  
18 council, we as a city, are trying to get out  
19 of the distressed status. Nobody wants to  
20 be there, nobody wants to go to bankruptcy,  
21 we will do our job, we will do our best to  
22 avoid that and in August of 2016 we will see  
23 where we stand.

24 The Court award is a difficult  
25 situation and it's obvious that the city

1 does not have the money to pay back -- to  
2 pay that award. We need to get the money  
3 from somewhere. We need to borrow it,  
4 obviously, there is no other recourse, but  
5 when we go there, there are couple of things  
6 that need to be considered. What are the  
7 back wages that are owed to, you know,  
8 hiring and placement? What is owed to  
9 retirees? And lastly, what is the status of  
10 the interest on that? Is it to be paid to  
11 the firemen and policemen? You know, where  
12 does that money go? That's not part of the  
13 award and so there are a lot of things to  
14 look at in this award, and hopefully it will  
15 be resolved. I would like to see it  
16 resolved before the end of the year in a  
17 satisfactory way for the people that deserve  
18 the money and also for the City of Scranton.

19 Brought up the refuse schedule,  
20 again, I don't know how many times we have  
21 asked for this to be on the website. I  
22 think there are -- there are number of  
23 things that need to be on the City of  
24 Scranton's website. Our IT Department  
25 consists of two people. Again, you know,

1           like many of the departments in the city the  
2           staffing is not adequate to the work that's  
3           involved, but something like the refuse  
4           schedule should be simple and we will ask  
5           again and try to see that is on there and  
6           hopefully upgrade the website as we go  
7           along, and I believe that is all I have.

8                     At this time, I'd like to make a  
9           motion to take a brief recess.

10                    MR. ROGAN:    Second.

11                    MR. MCGOFF:   On the question?

12                    MR. GAUGHAN:   Yes, on the question.  
13           Can we get through legislation first before  
14           we bring the mayor in, wouldn't that make  
15           more sense?

16                    MR. MCGOFF:   We said that it would  
17           be at approximately 7:30, I don't know how  
18           long it will take to get through the  
19           legislation, and it's more appropriate to  
20           actually do this during Fifth Order I would  
21           think.

22                    MR. GAUGHAN:   Okay.

23                    MR. MCGOFF:   We'd just call it part  
24           of Fifth Order.   So we'll take a brief  
25           recess and return in approximately ten

1 minutes.

2 (A brief recess was taken.)

3 MR. MCGOFF: I'd like to call this  
4 meeting back to order. We'll continue Fifth  
5 Order tonight with kind of a continuation of  
6 our public caucus and tonight we have with  
7 us from the city administration, Mayor Bill  
8 Courtright, Solicitor Jason Shrive, and  
9 Business Administrator David Bulzoni. And  
10 from HJH Strategies Mr. Henry Amoroso and  
11 Mr. Edmund Weiss.

12 We would like to thank you for  
13 coming. We feel that at this point in time  
14 it would be a good idea to at least update  
15 the citizens of the Scranton on the, for  
16 want of a better term what has been called  
17 the Amoroso plan or I'll say the city plan  
18 for economic revival, and so council will  
19 have a number of questions, I don't that  
20 there is anyone who would like to make an  
21 introductory statement.

22 MR. COURTRIGHT: Thank you,  
23 President McGoff. Henry has prepared an  
24 overview of where we have been and where we  
25 are going so we thank you for having us here

1 and if you don't mind we'll start it off  
2 with a brief overview of where we are at.

3 MR. MCGOFF: Absolutely. Mr.  
4 Amoroso?

5 MR. AMOROSO: Thank you. Thank you,  
6 members of council, for having us back.  
7 We'll start with reminding everyone that our  
8 plan had essentially 12 components to it.  
9 Those 12 components had, included among  
10 others things, certain taxes, certain  
11 assumptions on the LST. There was a change  
12 in the law from the time that we moved  
13 forward with the 205 tax and with the LST,  
14 and I'll talk a little bit about that as  
15 well, and much of our plan, if not the  
16 entirety of our plan, was incorporated into  
17 the PEL recovery plan that you have all  
18 participated in, so we have been working on  
19 the plan, moving it along item through item,  
20 all 12 of our items, each of them moving  
21 forward consistent with what our  
22 expectations are.

23 So if you were to ask now where we  
24 think the plan stand I think that we are on  
25 track and I think in some areas we are



1 exceeded expectations, and I think in some  
2 areas we are just a little bit behind on  
3 timing, but we have had some of our best  
4 conversations with the state and with the  
5 city administration and with outside lenders  
6 and bondholders and interest in the recovery  
7 plan, that really is terrific.

8 So I think the first six months,  
9 Dave can certainly supplement this, we are  
10 on track on revenue, we are on track on  
11 expenses, we are meeting or expectations.  
12 On the bigger issues in the plan, we are  
13 moving forward on the timelines both for the  
14 parking monetization. We are moving forward  
15 I think better than expected on different  
16 areas and one of the areas we are exceeding  
17 expectation is on the judgment refinancing,  
18 and we are making significant progress on  
19 pension solutions.

20 As you might recall, when I was last  
21 here I said all roads lead through the  
22 pension problem. The pension problem is  
23 what needs to be solved, and not simply  
24 because it's a pension problem. If you  
25 don't solve that problem you can't take the

1 pressure off the property taxes, and this  
2 plan is premised on the leveraging reliance on  
3 property taxes on a going forward basis.

4 The City of Scranton's budget is  
5 about 30 percent reliant on property taxes  
6 so 60 percent of your revenue comes from  
7 sources other than property taxes. If any  
8 of those other revenue sources fail that  
9 revenue cycle at any point, it becomes  
10 stressed or we are not able to collect, as  
11 we might expect to select, it naturally  
12 defaults to property taxes. Property taxes  
13 essentially then your own elastic tax that  
14 you have, so this plan is very much premised  
15 upon reducing the reliance on property taxes  
16 on a going out basis.

17 You also, as you know, have this  
18 very odd distribution of assessed value in  
19 Scranton. We, as a matter of policy, have  
20 concerns about that because we think this  
21 bifurcated assessment that you have, high on  
22 one end, low on the other end, not properly  
23 distributed, is a disincentive to economic  
24 development because new constructions are  
25 being taxed at a higher number, so if you go

1 up by 10 percent property taxes that's  
2 already too high, a percentage of your  
3 population bears that more than does the  
4 rest of the population. It's not properly  
5 distributed. Add that to an already high,  
6 relatively high EIT tax, are barriers to  
7 economic development.

8 So we know that in order for the  
9 plan to work and not just to fix the budget  
10 short term, but to create the time of the  
11 stability that credit markets look at, that  
12 investors look at, that people who are  
13 exploring economic opportunity look at we  
14 need something that's reliable and stable  
15 and one that levers that reliance on  
16 property taxes, which is big, and I think,  
17 unfortunately, a very difficult experience  
18 in Scranton.

19 So we are far along on the judgment  
20 negotiation. We are far along in the  
21 process of parking discussions. There is  
22 still a lot of homework to do there, a lot  
23 of due diligence taking place, a lot of  
24 negotiation that still has to go on. We are  
25 in conversations with the Sewer Authority

1 and that is probably one of the most  
2 critical components of the whole plan and  
3 particularly if you want to reduce our  
4 reliance on the 205 tax and we are doing  
5 well in the basic assumptions on cash flows  
6 and doing very well on the assumptions on  
7 the revenue and expenses. Dave, again, can  
8 certainly supplement any of these things I'm  
9 saying, but there has really been a very,  
10 very aggressive administrative pursuit of  
11 every opportunity inside of the budget. You  
12 never get 100 percent, but it's moving along  
13 pretty well.

14 With that, one area I would like to  
15 discuss and explain is the concerns I have  
16 on the pension. Obviously, we have all been  
17 party to the Auditor General's report  
18 relative to the pension and it's alarming,  
19 and not just for the underlying conduct, we  
20 will leave that to others to speak about,  
21 but it confirms our concerns about how  
22 underfunded the pension really is, and  
23 pensions are a product of actuarial  
24 assumptions, the number of people in the  
25 plan, the expected life span, the salaries

1 in the plan, as well as a whole bunch of  
2 other issues. What are your rates of  
3 return, what is your rate of expected growth  
4 and expenses.

5 So we are working with the mayor and  
6 working with Dave, working with the mayor's  
7 team and both inside and outside counsel, we  
8 were very concerned about insuring that the  
9 contract negotiations with the unions would  
10 lead to a more predictable escalation than  
11 Scranton has experienced over several years.

12 So by way of the example to put some  
13 illustration around this, there is an  
14 assumption from your Pension Board that it  
15 will earn 8 percent, and that assumption is  
16 married to an expected growth of expense of  
17 5 percent. Well, 5 percent is particularly  
18 high, but that had been the experience of  
19 what your contracts were going at, so one of  
20 the key components of our plan was to  
21 negotiate those contracts in ways that had  
22 some very obvious profit/loss benefits, but  
23 also would have a longer term benefit on the  
24 pension.

25 Now because we have a controlled

1 growth in the contract and a significantly  
2 lower rate, the actuarial experience changes  
3 dramatically and could be very favorable to  
4 the city and will be very favorable to the  
5 city. So the growth rate is no longer 5  
6 percent, the growth rate is going to be  
7 something closer to 2 percent, and that  
8 growth at 2 percent becomes a factor in the  
9 actuarial's analysis of what the pension  
10 exposure is.

11 So if you look, for example, at the  
12 local pension you would say the expected  
13 rate of return is 8 percent. It's  
14 aggressive by any national standard, by any  
15 local standard, too, by our admission, and  
16 they had an expected growth rate expense of  
17 5 percent. The state by contrast predicts 5  
18 1/2 percent return, something more  
19 conservative, more true for the 20 or 30  
20 year history, but they only have a 2 percent  
21 expense rate, so the spread for the state is  
22 3 1/2 percent, the spread for the city is 3  
23 percent.

24 So we have already approved with the  
25 state model because of the contracts that

1           have been negotiated to a 1/2 percent  
2           benefit in the spring predicting the  
3           pensions.

4                         That's just one example of the very  
5           connected nature of the plan and all of the  
6           things that have to happen in order to get  
7           this right, and I'll say it again and answer  
8           any questions that any of you have, the  
9           pension obligation that will hit Scranton in  
10          2016 and particularly 2017 is completely  
11          unsustainable, and there is only one way you  
12          can make up that cost difference which is  
13          estimated to be in excess of \$5 million,  
14          there is only one way to do that and that's  
15          property taxes that's you have on the table  
16          right now and you don't want it to be  
17          reliant on property taxes. That can't  
18          happen. So the only way to avoid that is to  
19          come up with other means to lower that  
20          pension obligation come 2016 and 2017 and  
21          the only way to do that is to super fund the  
22          pension, and the only way to super fund the  
23          pension is to find cash to super fund it, or  
24          to find a debt mechanism to fund it with a  
25          revenue stream, and that is what's got to

1           happen between this time now and some time  
2           in the first quarter of 2016 for this plan  
3           to continue to track.

4                   MR. MCGOFF: I guess the first  
5           question, what revisions have you been  
6           forced to make in the plan in this first 18  
7           months of the administration?

8                   MR. AMOROSO: The two biggest pieces  
9           were that we originally assumed a tripling  
10          of the LST because of your Act 47 status,  
11          and we also assumed a way to super fund the  
12          pension would be an Act 205 commuter tax,  
13          and if you recall the city's argument was  
14          that the residents of the city already pay a  
15          very high EIT tax and they wanted a  
16          relatively modest commuter tax on commuters.  
17          That was struck down in Court and an  
18          interpretation was made that there has to be  
19          some balance. It's unclear in the Court  
20          decision whether it has to be even, but it  
21          looks like presumptively like it might have  
22          to be even, so in order to have a 205 tax we  
23          would have to increased the EIT tax by some  
24          small percentage on Scranton residents as  
25          well as commuters to generate what was in



1 our plan roughly \$5 million a year and that  
2 \$5 million a year was aimed at being able to  
3 secure a pension bond, so we now have taken  
4 that out of the model because there seems to  
5 be a reluctance to go in the direction of  
6 the 205 tax, at least as an early strategy,  
7 and that should be an absolute last move if  
8 it's to take place at all if there is a will  
9 to resolve pensions. So we've had to take  
10 that \$5 million generating the super fund  
11 for the pension out of the budget.

12 Essentially it's net neutral on the  
13 budget because the money that was going to  
14 be raised was going to be used for a pension  
15 bond. However, the legislature changed the  
16 law and said if the city does an Act 205 tax  
17 it will lose the tripling effect of the LST  
18 and the LST will only double and that's  
19 about a million point five, about a million  
20 point five hit to the city.

21 So without the 205 tax and no way to  
22 super fund the pension, but we have the  
23 tripling of the LST and that tripling of the  
24 LST can exist only while are you in Act 47.  
25 So if you are going to exit Act 47 that

1 tripling of the LST goes away so we would  
2 have to come up with a mechanism to replace  
3 that \$3 million.

4 MR. MCGOFF: How have the union  
5 contracts effected the plan? Have they in  
6 any way?

7 MR. AMOROSO: Yeah, favorably. I  
8 think in some part, you know, union  
9 contracts are hard particularly when opening  
10 midstream, and there is a general sentiment  
11 because there is so many different views on  
12 contracts, you've got to really look at the  
13 cost of the contract not just in what the  
14 pay increase is, there is 2 percent, 3 p  
15 percent, 4 percent, but I'm also looking at  
16 it in the contract what happens on the work  
17 rules, and work rules are an important  
18 aspect to renegotiating because they really  
19 effect costs, particularly around things  
20 like overtime and those aspects.

21 So the city has a contract, I think  
22 it negotiated a good contract, but it has to  
23 be able to manage the contract effectively  
24 and that's not an easy thing to do because  
25 you have a very tight bandwidth, so there is

1           some headwinds there, it's hard to manage  
2           because you have some tight bandwidth.

3                       But the important part of it was  
4           that the city was able to deliver the 2  
5           percent increases, which was on the mark, to  
6           try to tie it into the states expected rate  
7           of increase and generally what  
8           municipalities or caps are calling for in  
9           different states, New York, New Jersey.  
10          They are capping those 2 percent increase  
11          closer to the cost of living, and that helps  
12          us very much reestablish the pension  
13          integrity.

14                      There is still more to do on the  
15          pensions, there is other elements of the  
16          contract that have to be negotiated visa via  
17          the pension, but this is an important, very  
18          important, and very good first step.

19                      MR. MCGOFF: Two more questions,  
20          have you been actively involved in the  
21          discussions with the Scranton Sewer  
22          Authority? Since we are not part of it  
23          since it is an authority can't act  
24          independently.

25                      MR. AMOROSO: We are in discussion

1 with them. They have hosted two or three  
2 meetings with the mayor and some of the team  
3 that you see here today. We don't think  
4 that we have adequate information to  
5 appropriately advise and guide the city  
6 notwithstanding independent authority.  
7 Nonetheless, the city remains it's creator  
8 and a very important stakeholder and we do  
9 believe that there needs to be greater  
10 transparency on some of the processes taking  
11 place, though there has been a good flow of  
12 communication, in order for us to properly  
13 advise the city we need to have access to  
14 more information.

15 MR. MCGOFF: And last, was a payroll  
16 tax included in part of your budget?

17 MR. AMOROSO: Yeah, on the payroll  
18 tax, it was a recommendation of the  
19 Pennsylvania Economy League in the recovery  
20 plan. It was not an actual part of our  
21 plan, but not for any other reason, we just  
22 didn't put it in, but we endorse it and  
23 support it and we believe that the public  
24 policy instituted by the state has  
25 commissioned a study and we're awaiting the

1 results of that study, which are forthcoming  
2 in 30 or 45 days, but it would be something  
3 that I would favor.

4 MR. MCGOFF: Thank you. Mr. Rogan?

5 MR. ROGAN: Thank you. First, I'd  
6 like to, as I mentioned this during the  
7 regular meeting as well, I would thank all  
8 of you for coming in today, especially Mayor  
9 Courtright. In just 18 months we have had  
10 more of these sessions with you all in here  
11 than we did in 12 years on the previous  
12 administration, so on behalf of all of  
13 council we certainly appreciate you coming  
14 in.

15 Mr. Amoroso, you spoke about  
16 long-term growth in the city, can you talk a  
17 little bit more about that because I think  
18 the key to, and I think the general public  
19 will all agree, the key to get Scranton back  
20 on track is a long-term strategy where we  
21 could increase homeownership in the city,  
22 increase our population in the city and get  
23 businesses back in, can you talk a little  
24 bit more about all that?

25 MR. AMOROSO: Sure. In our recent

1 contract with the Chamber of Commerce we  
2 were charged with doing research and making  
3 some recommendations relative to economic  
4 development opportunities. No matter what  
5 you read or what you study, and there is a  
6 number of great books that are out there  
7 right now, there is actually a body of  
8 academia building around what works for  
9 distressed cities, and part of what works  
10 for distressed cities is getting a budget  
11 stable, stabilizing the budget.

12 Predictability in the budget is important  
13 for any business because they have to do  
14 their own planning, their own budget  
15 planning, so if there are wild cards on tax  
16 increases, property tax increases, new fees,  
17 those items are always happening and without  
18 some predictability attached to them they  
19 can't plan well so the intent to stay away  
20 from cities that go through recovery without  
21 the element of predictability.

22 Second is very important to  
23 recovering the city's economic development  
24 is the strength of what we call the core  
25 competencies of cities. The core competency

1 of the city are essentially policing, fire  
2 protection, Department of Public Works,  
3 recreational activities. You, as council,  
4 don't have control over schools, but a lot  
5 of folks who invest in cities look at what  
6 the school reality might be in making those  
7 decisions.

8 So from our perspective there is an  
9 opportunity to promote economic development,  
10 but it's hard to do in a headwind of  
11 uncertain taxes, whether it be EIT or  
12 property tax, very hard for the city  
13 administration to sit down and give a  
14 package of incentives when the state hasn't  
15 really given you those incentives to use so  
16 it's a little bit harder in a -- it's been a  
17 zero subgame for the municipalities in the  
18 northeast in particular to try and to  
19 attract business.

20 So what's attractive is good housing  
21 stock, good core competencies, stable  
22 budget, stable school system, you have got  
23 the road infrastructure, you got the  
24 location, you've got the greater attractions  
25 around Scranton, the terrific opportunity of

1 the city on entrepreneurial activity, but  
2 it's just not -- it can't be supercharged.  
3 It really cannot be deployed very  
4 effectively until you get this budget stuff  
5 done.

6 The pensions are a really dark cloud  
7 and no one is going to want to come to a  
8 city if they can't fix that issue that's  
9 facing the probability of a bankruptcy.

10 MR. ROGAN: And the growth issue  
11 that was exactly what I was hoping to hear  
12 because from looking at other cities in  
13 Northeastern Pennsylvania we are much safer.  
14 We have the best police department around,  
15 we have the best fire department around, and  
16 I think that has to be key to the growth,  
17 future growth of the City of Scranton, that  
18 we have good neighborhoods, you know, we  
19 have great fire departments, and hopefully  
20 that can be used as an incentive to promote  
21 the city in the future so I was really glad  
22 to hear that.

23 For all of five years I have been on  
24 city council two things I have been saying  
25 the city should do is reevaluate its



1 position in the Scranton Parking authority  
2 and the Scranton Sewer Authority. I know  
3 you probably can't get into specifics  
4 because there are, you know, on the parking  
5 end there are bids that have been received  
6 and negotiations are going on, but can you  
7 give a update on where the current status of  
8 the Sewer Authority and the Parking  
9 Authority stand.

10 MR. AMOROSO: Sure, to the extent I  
11 can we are deeply involved in all of the  
12 discussions relative to the Parking  
13 Authority, the city has assembled truly a  
14 first rate team, that every participant in  
15 the team is working in a weekly fashion with  
16 the phone calls, with the meetings, strategy  
17 sessions, tremendous loop of information.  
18 The mayor is deeply involved in that  
19 process, so we are excited in the direction  
20 which it's going. I think that city is  
21 going to end up in taking what is a bad  
22 situation and making it as good as it can  
23 be.

24 And the Sewer Authority discussions  
25 it's harder to handicap right now because

1           we're -- the Sewer Authority is running the  
2           process and they are sharing certain  
3           information with us, but we are having a  
4           good, healthy conversation with their  
5           representative. Timing on that is probably  
6           a little bit different than the Parking  
7           Authority, and the Parking Authority  
8           discussion, as you recall, has a timeline in  
9           the PEL recovery plan.

10                   MR. ROGAN: And just one, also, even  
11           though he is not here, Scranton Parking  
12           Authority solicitor Todd Johns has done a  
13           great job communicating with council,  
14           myself, any time I place a phone call to him  
15           we get a call immediately with any answers  
16           to questions that we have.

17                   And my final question is regarding  
18           the Court award from the previous  
19           administration with the unions, and it's  
20           been brought up by some in the public at  
21           tonight's meeting, it's been something that  
22           we have been dealing with in the city for  
23           well over a decade, the frustration on my  
24           end for me personally is that we are  
25           currently paying interest on a debt that's

1 continuing to grow. At least by issuing  
2 bonds or however it's paid off. Granted, we  
3 will still be paying that interest, which  
4 nobody wants to pay, but the debt will  
5 finally be retired. Can you talk a little  
6 bit more about the paying off of the Court  
7 award, and maybe this is too earlier, but a  
8 an approximate interest rate of what we  
9 would be paying on that debt?

10 MR. AMOROSO: We are involved, but  
11 Dave is really the person leading the  
12 strategy on that and Dave has brought it to  
13 the place where it is. Just to indicate  
14 where the recovery plan is, if the recovery  
15 plan weren't tracking as it's tracking proof  
16 would be that we would not be having the  
17 conversations with lenders to fund in the  
18 marketplace the judgment of satisfaction.  
19 The fact that we are able to actually get  
20 bankers to more than sit with us and talk  
21 about funding the whole judgment means that  
22 they are beginning to believe and have  
23 confidence in the structured plan and the  
24 team that's here, and Dave, I would defer to  
25 Dave on that question, but he has very much

1 driven that strategy, and that's why we have  
2 the opportunity to refund the judgment,  
3 refinance this judgment.

4 MR. ROGAN: Do you care to comment,  
5 Mr. Bulzoni?

6 MR. BULZONI: Well, what I think I  
7 can say it's taken an incredible amount of  
8 creativity to move it along. We didn't  
9 exactly have any interested parties that  
10 were very serious about the city's credit in  
11 the early stages of the administration last  
12 year, so what we did put together I think  
13 was a fairly creative structure and the  
14 Times have reported on it fairly thoroughly  
15 and has reported on it well. Much more to  
16 come. We obviously created a structure  
17 which involves the Commonwealth through the  
18 Department of Labor and Industry, and at  
19 least to date they have given us some  
20 favorable commentary on the structure and  
21 how it is involving now. We also through  
22 working with various financing arms have  
23 looked at a structure where obviously we  
24 want competitive interest rates so part of  
25 how we drove this process was to be able to

1 create a structure to allow us to issue debt  
2 with competitive interest rates.

3 We will be meeting with bargain  
4 units to discuss the matter so at least at  
5 this point in time I can't get into too much  
6 detail beyond what I had just commented on,  
7 but I believe we are reasonably close to  
8 being able to put it together.

9 MR. ROGAN: Thank you very much, and  
10 again, I'd like to thank all of you for  
11 coming in, and just a few years ago I was on  
12 council at the time when the city was paying  
13 its employees minimum wage because there  
14 were no funds in the account and nobody  
15 would borrow to us -- lend to us. The end  
16 of the year we were concerned whether we  
17 would have a TAN or not, and I know to the  
18 public, you know, reading the paper every  
19 day and seeing what's going on in the city  
20 these things may not mean a lot to them, but  
21 they are very large steps in the right  
22 direction, so thank you for all of your hard  
23 work on those issues and thanks for coming  
24 in again.

25 MR. MCGOFF: Mr. Wechsler?

1 MR. WECHSLER: Thank you,  
2 Mr. McGoff. How involved have you been  
3 working with the state representatives and  
4 the state senator in terms of impacting this  
5 plan?

6 MR. AMOROSO: Not as much in this  
7 current contract cycle as I was in the last  
8 where we met with them with some regularity.  
9 We have, however, been meeting I'd say  
10 almost monthly, if not a little bit more  
11 frequently, with the Department of I think  
12 it's DCED here so we have a meeting in  
13 Harrisburg quite regularly on the plan, but  
14 not as much on the legislative side yet  
15 because we don't really have a legislative  
16 mass in place. There will be a time when we  
17 do have more said mass, but that will  
18 probably follow some of these other  
19 executions parking, sewer, judgment, which  
20 are the immediate concerns right now where  
21 we need state cooperation.

22 MR. WECHSLER: It just seems there  
23 is many programs that the city hasn't been  
24 allowed to participate in that would be  
25 tremendous for our downtown, and we talked

1           about economic development and other areas  
2           are benefitting, but we are the poor  
3           stepchild up here and not getting that.

4                   MR. COURTRIGHT: We've met with  
5           Senator Blake and Representative Farina and  
6           Flynn, Senator Blake is doing his best to  
7           get us included in those programs that you  
8           mentioned that we are excluded from, it  
9           almost seemed like they purposely excluded  
10          the City of Scranton, so he is working  
11          towards that goal.

12                   MR. WECHSLER: Is there any anything  
13          that we as a council should be doing to help  
14          facilitate that?

15                   MR. COURTRIGHT: I don't know. I'm  
16          sure the senator would welcome any questions  
17          you have, he is doing what he could. He is  
18          in a situation where they are in a minority,  
19          so he is doing the best he could, I believe,  
20          but he has been in contact with us all the  
21          time, and yet we have had one meeting only  
22          with all three of them together, but I have  
23          met with Senator Blake on several occasions.

24                   MR. WECHSLER: Is it possible just  
25          to expand a little bit on the help that we

1 are getting from the Governor's Office?

2 MR. COURTRIGHT: I'm going to defer  
3 to Jason, I don't know what we could say  
4 more than we said. I will say this that we  
5 have been working with him day in and day  
6 out, and DCED and they have been extremely  
7 cooperative, I think they agree with what we  
8 are trying to do, what we told them we want  
9 to do and they are behind us, I think it  
10 would be helpful, I just don't know what we  
11 are or not able to say so I'll defer to  
12 the solicitor on that one.

13 MR. SHRIVE: We have had regular  
14 meetings with representatives in Governor  
15 Wolf's administration and have a serious and  
16 true partner in Harrisburg on not just  
17 pension reform, but on municipal government  
18 reform and municipal financial reform. The  
19 Governor seems to really get it. He knows  
20 what the municipality needs and he has got  
21 into focus to do that, it's just not lip  
22 service at this point. He has made  
23 available to us members of his cabinet on  
24 multiple occasions whenever we call. You  
25 know, the mayor is able to call the



1 Governor's chief of the staff at the drop of  
2 a hat and ask her a question. He has  
3 included us in the statewide pension reform  
4 discussions and the mayor and I have  
5 participated in some meetings with the  
6 Governor and other mayors statewide as far  
7 as what we hope to see in pension reform and  
8 I think one of the clearest examples of that  
9 is the task force that he put together and  
10 had the State Auditor General chair. There  
11 was maybe a two-month turn around from the  
12 meeting we had with him and other mayors to  
13 the time the task force finished and gave  
14 its report, and I think you will see some  
15 legislation in the near future from the  
16 state administration that incorporates the  
17 Auditor General's Task Force report and a  
18 lot of their recommendations, and I think  
19 that's a testament to his focus on the  
20 municipal financial reform.

21 We can't get into a lot of the  
22 specifics as far as what they going to be  
23 because that really would be for the  
24 Governor to talk to and I wouldn't want to  
25 speak on his behalf, but I can say the

1 Governor and our state senator and both of  
2 our state reps and our federal legislative  
3 delegation, our senators and are congressmen  
4 have really been champions for Scranton, and  
5 any time we have contacted them they have  
6 really helped us out in any way they could.

7 MR. MCGOFF: Could I just interrupt  
8 for a second, since you brought up the  
9 Auditor General, do you feel, and I'll say  
10 anyone, has the Auditor General been fair in  
11 his assessment of the finances of the City  
12 of Scranton?

13 MR. AMOROSO: I think he has been  
14 accurate.

15 MR. MCGOFF: I'm sorry?

16 MR. AMOROSO: I think he has been  
17 accurate.

18 MR. MCGOFF: The hearing aids aren't  
19 working.

20 MR. AMOROSO: I'm sorry? I would  
21 also answer an add that we have been working  
22 with Senator Casey's office almost on a  
23 really twice a month basis where he has  
24 asked of us to give him some suggestions  
25 from experiences we have had with United

1 States Senators bringing stuff home to the  
2 communities, what are the types of things he  
3 can help do and we have been doing that with  
4 him.

5 MR. WECHSLER: Yeah, I'm happy to  
6 hear that because really I have not been  
7 aware of it, you know, you hear things, but  
8 I work with Senator Blake and Senator Farina  
9 and Flynn on a regular basis myself, always  
10 very receptive, great to work with, but it's  
11 good to hear that it's pursuing on this  
12 level as well because they are tightlipped  
13 about what's going on, also, as they should  
14 be so it's good to hear that everyone is on  
15 the same page and on the same team for this  
16 issue.

17 MR. COURTRIGHT: I asked to meet  
18 with Senator Casey of state agendas and he  
19 actually took me to lunch and we spent an  
20 hour and a half, so he has been extremely  
21 helpful and more than willing to help and I  
22 am think he was got our foot in the door  
23 actually with the Governor, but I've talked  
24 it over with him on more than one occasion  
25 and he is doing and willing to do anything

1 he can to help us.

2 MR. WECHSLER: Great. One thing  
3 that the council and the citizenry has been  
4 asking for is some type of score card matrix  
5 that we can keep up-to-date on the progress  
6 that is being made. Recently we attended  
7 the PEL meeting and they are kind of working  
8 towards that, also, but myself as a council  
9 person I don't have a tool where I could sit  
10 down and evaluate where we are at, and pick  
11 any kind of period, a monthly, quarterly or  
12 whatever kind of period, is there anything  
13 we are developing or anything that available  
14 that the public and council could use as a  
15 tool?

16 MR. AMOROSO: Well, from our  
17 perspective we can certainly -- we work with  
18 PEL multiple times a week on these very  
19 issues, progress to objectives. Some of the  
20 progress to objectives don't have the type  
21 of thing that would form -- fit nicely with  
22 a score card, the parking monetization, for  
23 example, is a complicated process now for  
24 the next eight weeks it's going to be a very  
25 intense process, but we can certainly give

1           you status reports on the plan along with  
2           PEL and the recovery plan and I don't  
3           anticipate that that would be a problem. It  
4           just might not be the thing that looks like  
5           a dashboard --

6                     MR. WECHSLER: Yeah, I'm not sure  
7           how it would look, but that's why you are  
8           the consultant so that's where we need a  
9           format there.

10                    MR. AMOROSO: Yup, we'll get you  
11           something.

12                    MR. WECHSLER: Is there any other  
13           fault that there has been zero on?

14                    MR. AMOROSO: Well, there is zero  
15           progress on moving the Act 205 tax forward,  
16           which is one of my 12, in part because we  
17           are looking at other alternatives to that.  
18           As I said, there is given the legal  
19           decision, given some of the disposition of  
20           the state and some of the legislators you  
21           reference there is an expectation that we  
22           can look at that as an absolutely last  
23           resort, there is other means of solving the  
24           pension problem, and there are, they are  
25           complicated but there are.

1 MR. WECHSLER: And how does this all  
2 tie into the 2016 budget, where are we at  
3 getting that going? Unfortunately, I was  
4 new to this last year and I'd like to be  
5 more involved just from an information  
6 standpoint that when the budget arrives us  
7 to us in November that we know kind of how  
8 we got to that point. Last year we kind of  
9 got it and kind of learned what questions to  
10 ask about, so I have more questions this  
11 year than I did last year and I was just  
12 wondering where we're at at this stage of  
13 developing the 2016.

14 MR. AMAROSO: Again to defer to Dave  
15 on that, but I'd say our plan called for a  
16 -- articulated what's called a 6 percent  
17 property tax increase for next year and I  
18 don't see why we shouldn't be able to  
19 achieve that. What could create problems in  
20 achieving in that are a delay in execution  
21 on some of the monetizations, which were  
22 baked into the plan and refinances, but from  
23 what I see so far the city is doing it's  
24 budget on an expense basis and on a revenue  
25 basis and our expectations will hit that,

1 but I turn to Dave who is writing the budget  
2 on a daily basis.

3 MR. BULZONI: Just briefly, I guess  
4 I would state that everything that  
5 Mr. Amoroso is discussing intertwined in a  
6 lot of detail with the budget, so just think  
7 of one component of when you look at the  
8 parking monetization what can be achieved in  
9 theory and hopefully in practice and keep in  
10 mind that we have budgeted approximately  
11 \$2.9 million for debt service relative to  
12 the Parking Authority's bonds. Going  
13 through monetization process you hope that  
14 you were able to eliminate that guaranteed  
15 burden, obviously it may be shifted in some  
16 respects, but as you can see everything is  
17 intertwined. As much relief as we can  
18 generate on a day-to-day basis we look at.  
19 Broadening the revenue spread is critical  
20 and you know probably as well as anyone a  
21 lot of the concepts that have been  
22 introduced at the PEL meetings particularly  
23 looking at various revenue components that  
24 are realistic and we think could be helpful  
25 regardless of the dollar amount, so it

1 requires an adjustment on a day-to-day  
2 basis, there is no question.

3 We are reasonably confident that  
4 it's tracking accordingly. Obviously, you  
5 have issues that can tend to create some  
6 concerns with individual line items in the  
7 budget and you try and make adjustments in  
8 others to compensate, but it is a  
9 day-to-process without any question.

10 MR. WECHSLER: And just to finish  
11 up, who will be responsible for getting us  
12 that progress report?

13 MR. AMOROSO: We'll prepare  
14 something and submit to the administration.

15 MR. WECHSLER: So we'll go through  
16 the mayor's office.

17 MR. AMOROSO: And we'll also solicit  
18 PEL's input on that.

19 MR. WECHSLER: Would you like to put  
20 monthly or, I mean, I don't think weekly is  
21 necessary, but monthly is that --

22 MR. AMOROSO: We are happy to send  
23 you -- we are happy to -- we report  
24 regularly so we'll be happy to put it in a  
25 format and defer to the administration how



1                   they want to get it to you.

2                   MR. COURTRIGHT: What I do is I  
3                   usually meet with Bob on Monday, so when  
4                   Henry forwards it to me I'll deliver it to  
5                   the president.

6                   MR. WECHSLER: Thank you very much.

7                   MR. MCGOFF: Mr. Evans? Oh, I'm  
8                   sorry, were you finished Mr. Wechsler?

9                   MR. WECHSLER: Yes, thank you.

10                  MR. MCGOFF: Mr. Evans.

11                  MR. EVANS: Thank you. Again, thank  
12                  you all for coming tonight, we really  
13                  appreciate it. Of course when you get down  
14                  this end of the table many of the question  
15                  are already asked and asked so it's a little  
16                  more difficult. I want to read a quote from  
17                  the plan, the Amoroso plan: "It's vitally  
18                  important that the individual elements of  
19                  the overall strategy occur essentially in  
20                  tandem."

21                  So I totally agree with that  
22                  statement that points the need to create a  
23                  timeline for each of the elements within the  
24                  plan so that's why I concur with what  
25                  Councilman Wechsler is talking about, that's

1           why it's so important for us to see a  
2           timeline, benchmarks, as progress is made on  
3           one item we move to the next one because  
4           they are linked together and they are all in  
5           tandem, when one happens the second one has  
6           to happen so that's very, very important,  
7           but tonight I'd like to address some of the  
8           parts of the plan that there might have been  
9           a little progress on getting things done.

10                         For example, and this is a big  
11           issue, reassessment. We need a  
12           reassessment. Scranton property owners are  
13           getting crushed by assessed values that are  
14           based on a 1970 version of Scranton, and a  
15           1970's version of the rest of the county.  
16           Where we have seen property values generally  
17           decline in the city, they have increased in  
18           the suburbs and the current assessment does  
19           not reflect a 45-year change. So part of  
20           the plan is to ask the mayor, and I'm not  
21           sure did --

22                         MR. COURTRIGHT: Could I interrupt  
23           for a second? I asked the current  
24           commissioners or the previous ones and they  
25           verbally they had no interest in

1 reassessment so we will be seeing a new  
2 regime come in and I will make that request  
3 again.

4 MR. EVANS: I agree 100 percent, we  
5 have to keep on beating the drum to our  
6 property owners. I mean, it's exacerbated  
7 by the recent tax increases, of course, but  
8 it's the assessment that, you know, and I  
9 I'm a real estate broker so I can tell you  
10 case after case after case where property  
11 owners are just getting hurt by the  
12 assessment. It's hurting our economic  
13 development.

14 MR. COURTRIGHT: It is.

15 MR. EVANS: Our homeowners, it's a  
16 travesty and we finally have to get  
17 something done on that.

18 Pension reform, and the mayor and I  
19 have had this conversation before, too, it's  
20 a simple process, I think, but it's  
21 something that I think would send a message  
22 to everybody in the community, financial  
23 community as well, that if the non-union or  
24 the cabinet members or however you want to  
25 call it, would switch over to a 401-K style

1 plan on a going forward basis so we can  
2 finally say, look it, here is what we are  
3 doing, we are making the effort, as pension  
4 reform is being discussed daily in  
5 Harrisburg, you know, that would send a  
6 message I think to the financial community  
7 that, you know, we are getting our house in  
8 order in that small aspect.

9 MR. COURTRIGHT: I didn't mean to  
10 talk while you are speaking, I was just  
11 asking him a question about if that would be  
12 complex or not for us to, I don't have a  
13 problem with doing it, but I'll let  
14 Mr. Bulzoni might want to speak to it.

15 MR. EVANS: Yeah, I don't know if  
16 there is any legal issues to doing it or  
17 anything, but I think it's something that --  
18 and it is being addressed in the new  
19 recovery plan, revised recovery plan, so I  
20 think it's something that we should put on  
21 the table, and I think actually, to be  
22 honest with you, I think it's to the benefit  
23 of the non-union personnel because there's a  
24 big turnover there, there is more people  
25 coming and going with the administration,

1           it's a portable pension so I think it would  
2           actually better for everyone concerned.

3                         Monetization of the Sewer Authority  
4           obviously is a key plan to the funding of  
5           the pensions. While I agree in principle,  
6           and I do, without substantia reform to the  
7           Pension Board, the pension ordinances and  
8           other initiatives, we are going to be  
9           putting good money after bad, so what's the  
10          plan to avoid some of the scenarios that  
11          have happened in the past? What are we  
12          going to put in place, what controls via a  
13          pension ordinance or revisions of the  
14          Pension Board, is there anything in the plan  
15          right now to make sure that we super fund  
16          the pension, we are not turning it over to a  
17          scenario where we are going to get hurt  
18          again?

19                         MR. AMOROSO: There are currently  
20          sessions taking place with the state  
21          relative to the level of participation  
22          support they are giving the city, which I'm  
23          sure are going to have some conditions  
24          attached to, and some that you might expect  
25          we would have to the recent report. The

1           mayor has loudly called for turning the  
2           pension management over to the state.

3                     In order to do that, you would have  
4           to come to compliance with the state  
5           requirements, which are almost best  
6           practices. Our belief is that is the best  
7           interest of the pension holders, retired and  
8           present, to go into the state plan. That  
9           going into the state plan means conforming  
10          to the state plan. It doesn't mean the  
11          state picks up the debt, but I would tend to  
12          agree with you absent that we can put money  
13          at risk.

14                    MR. EVANS: Absolutely. And we all  
15          agreed on council that that was a move when  
16          the mayor announced it that we all agreed  
17          with, it's something that we see that must  
18          happen. Now, how it happens, I understand  
19          the unions have to take a vote and I don't  
20          know if that's the only way that it's done,  
21          but --

22                    MR. COURTRIGHT: Attorney Shrive is  
23          working to get somebody from PMRS to come up  
24          here, I spoke to them verbally, some of the  
25          union heads, and they weren't opposed to it,

1 but they had questions that needed to be  
2 answered and so we figured we would bring  
3 the experts up so he is working to that end  
4 to bring them up here and hopefully we will  
5 have a favorable outcome.

6 MR. EVANS: Great.

7 MR. SHRIVE: When we do have that  
8 meeting set up I will definitely invite all  
9 of the members of council to come in and sit  
10 in and have any questions answered that they  
11 have as well.

12 MR. EVANS: Yeah, that would be very  
13 informative and help me out. On the  
14 settlement, I do agree that the settlement  
15 has to happen obviously, you know, we  
16 continue to go down that path and not pay  
17 that off. I have made the statement, it may  
18 be something that's doable, it may not be,  
19 but it's the way I feel, that the unions  
20 should have some skin in the game. If we  
21 are going to pay out \$24 million -- or  
22 borrow \$24 million they need or should at  
23 least take a portion of that and help fund  
24 the pension. Now, if that's realistic or  
25 not as far as the unions are concerned I

1 don't know, frankly I don't care, that's my  
2 opinion and I hope they step up because  
3 there is going to be a process in place to  
4 super fund the pensions which will include  
5 the settlement possibly, the SSA  
6 monetization, the pension bond issue, I  
7 think everybody needs to contribute because  
8 the larger amount that goes into that  
9 pension fund the less the payment is going  
10 to be and the more solvent the city is going  
11 to be so that's probably more of a statement  
12 than a question, but I think somebody had to  
13 say it, I'm not sure how this is going to  
14 flow but that's something I feel very  
15 important about.

16 PILOTS. Now, obviously your plan  
17 and the recovery plan are sort of meshed  
18 now. In the new recovery plan as part of a  
19 mandate it talks about verification of  
20 property exempt from taxation status. This  
21 is something that took place in Allegheny  
22 County that works very, very well, and what  
23 they do -- the County does it, I'm not sure  
24 we can get the county to do it, I'm hoping  
25 at some point in time it's mandated for 2015



1 and 2016 in the plan, what you basically do  
2 is send out verification on every single  
3 parcel that's owned by a nonprofit and that  
4 nonprofit has to substantiate or justify why  
5 that piece of the property, if it is exempt  
6 under the category of purely charitable  
7 organization or through the HUP test. It's  
8 some heavy lifting, I understand that, and  
9 something we have to talk about how that  
10 gets done, if it's through an RFP or if it's  
11 through some other opportunity, but I think  
12 it's something that we should discuss in the  
13 plan. I think it's a battle, that it's a  
14 way to address the PILOTS, because I think  
15 what happens, I was the director of the  
16 assessment office for awhile and when I came  
17 into the office I put a policy in place that  
18 whenever a property came in it was  
19 automatically deemed taxable and it was up  
20 to the property owner to come in and tell us  
21 why it shouldn't be taxable.

22 That policy has changed and now it  
23 basically, you know, it works the property  
24 comes in and it's listed as a nonprofit, I  
25 don't want to give any names, but nonprofit,

1           they will automatically make that property  
2           nontaxable. We don't know if that is  
3           legitimate or not because it could be an  
4           empty lot, it has no bearing whatsoever on  
5           being a Purely Charitable Act.

6                        So I think it's something open for  
7           discussion with the nonprofits as far as the  
8           PILOTS, it might be something worthwhile  
9           having that conversation with them when  
10          you're meeting with them. I offered my  
11          services, I'm available any time to meet  
12          with PILOTS if you need, I could be of some  
13          help, but that's all I have on PILOTS.  
14          That's another one of my passions.

15                      MR. AMOROSO: If I might echo that  
16          last comment, one of the larger cities that  
17          we worked with we have helped them put the  
18          process in for examining just that. There  
19          is a body of law developing now in a number  
20          of states about really what constitutes a  
21          nonprofit, particularly the larger  
22          institutions who have for profit enterprise  
23          inside of them, and there is some very  
24          interesting decisions coming down, we can  
25          share one of them with you, but I couldn't

1 agree with you more.

2 But, again, Scranton's fire is  
3 fighting some big problems and it's got to  
4 move through these things with a methodology  
5 that doesn't make it such that their  
6 bandwidth can't be successful.

7 MR. EVANS: No, I agree and I think  
8 that goes back to the opening statement  
9 about everything being done in tandem and  
10 part of the bigger picture.

11 I'll touch a little bit on taxes,  
12 which we talked about before. I'm a firm  
13 believer that we can no longer tax our way  
14 out of distressed status. Every time we  
15 tax, have higher property tax, we are losing  
16 families, we're losing businesses,  
17 mercantile taxes, the tax certainly has to  
18 go.

19 The mayor touched on this, and I  
20 appreciate that you have talked to  
21 representatives and Senator Blake, Allentown  
22 has a NIZ which has turned that city around.  
23 To date, on the books, are being planned  
24 \$1.3 billion in investment in a five-block  
25 area and along the riverfront. Bethlehem

1 and Reading or Lancaster has KRIZ's. Again,  
2 we have been isolated, we are been shut out,  
3 I know Senator Blake has worked on this, I  
4 wish we could help, I have no problem going  
5 and knocking on doors of the House and the  
6 State Senator leadership if we have to. I  
7 know it's a different party at this point in  
8 time than what our representatives are, but  
9 this is bigger than that, you know? We are  
10 the poster child for this type of program.  
11 You know, we are in Act 47 for over 20  
12 years. We need to, you know, this an  
13 opportunity for us to grow out of the  
14 situation that can no longer go back to the  
15 taxpayers for so at this point that's all I  
16 have. Thank you guys for coming in, I  
17 really appreciate it.

18 MR. MCGOFF: Mr. Gaughan?

19 MR. GAUGHAN: Yes, thank you. First  
20 of all, I would just like to thank Mayor  
21 Courtright, Mr. Bulzoni, Attorney Shrive,  
22 Mr. Amoroso and Mr. Weiss for coming in. As  
23 my colleagues have stated, we really truly  
24 appreciate having this conversation because  
25 it's an important one.

1                   We recently learned that Mr.  
2                   Amoroso's contract is extended again, this  
3                   time for three years, for an amount of  
4                   \$200,000 and Allied Services, Lackawanna  
5                   College and Geisinger Foundations came  
6                   forward to foot the bill. Mayor Courtright,  
7                   can you tell us your decision making process  
8                   in retaining Mr. Amoroso for an additional  
9                   two years and exactly what responsibilities  
10                  he has?

11                  MR. COURTRIGHT: Well, I think if  
12                  you are listening what he said here today  
13                  his expertise is more than valuable.  
14                  Everything that he and what people want to  
15                  call the Amoroso plan just about became the  
16                  recovery plan, and I think his services are  
17                  invaluable and I believe that those three  
18                  entities felt the same way and that's why  
19                  they stepped forward to pay for him.

20                  MR. AMOROSO: There is one piece to  
21                  add there just for purposes of clarifying,  
22                  the \$200,000 is to HJ Strategies, it's not  
23                  for my services alone. It includes, and  
24                  this was part of the grant proposal to those  
25                  entities, it includes assistance with

1 communicating the plan and writing part of  
2 the plan up, much of which is beyond our  
3 bandwidth. The original scope of what was  
4 expected of us has increased substantially  
5 and we needed assistance with that.

6 MR. GAUGHAN: Do you report to the  
7 Chamber or the mayor, how does that work?

8 MR. AMOROSO: I do periodically meet  
9 with the Chamber and give them a -- a small  
10 group an up-to-date report in more  
11 generalities. They are more focused on our  
12 thinking on economic development and  
13 economic development opportunities, but  
14 report to the mayor on a nearly regular  
15 basis. There are very few days where we are  
16 not here. This morning started in  
17 Harrisburg with very long meeting with DCED,  
18 a series of meetings up here this afternoon  
19 and tonight. So there is some element of us  
20 every day here.

21 MR. GAUGHAN: Okay. Thank you very  
22 much. Mayor Courtright, in Mr. Amoroso's  
23 report he recommended several operational  
24 improvements and strategic initiatives such  
25 as wellness coaching, city-run healthcare

1 centers, shared services, and as Mr. Evans  
2 had touched on PILOTS, have you begun any of  
3 these improvements or initiatives and, if  
4 so, what is the progress?

5 MR. COURTRIGHT: We met with a  
6 couple of nonprofits for PILOTS, we've made  
7 process, significant progress on one, but I  
8 don't believe we've locked it down so we are  
9 not at liberty to say what it is.

10 MR. GAUGHAN: On the other --

11 MR. MCGOFF: Can I interrupt you one  
12 second for one question? Just kind of  
13 jumping back on one question, do you feel  
14 that there is a conflict of interest between  
15 HJH Strategies vis-a-vie the three  
16 nonprofits entities that are paying for your  
17 services?

18 MR. GAUGHAN: That was my next  
19 question, but that's okay.

20 MR. AMOROSO: No, I don't. No, I  
21 don't. We work through chambers in some  
22 cases, in some cases we work for cities  
23 directly, but the credibility of our work is  
24 -- it's important that it maintain its  
25 independence, so notwithstanding whatever

1 grant anyone gave, and I'm not entirely sure  
2 I know exactly who gave these grants, I have  
3 heard that, but I don't know that  
4 specifically because I didn't negotiate any  
5 of them, I don't believe there is any  
6 impairment of our independence whatsoever.

7 I do want to add in response to  
8 Councilman Gaughan's question, he mentioned  
9 healthcare, I think, and the wellness area.  
10 The city has launched a study that's been  
11 done presently, we are awaiting the results,  
12 and we still maintain and believe that there  
13 is significant opportunity on health care  
14 savings to be achieved. If you wanted to  
15 create a priority of big ticket items,  
16 putting a great deal of energy into the  
17 Sewer and Parking Authority by letting that  
18 track at some level is good, but we have had  
19 some very meaningful conversations relative  
20 to the PILOTS, some which we believe will  
21 bear fruit in near order, and we are waiting  
22 for results of some studies on the  
23 healthcare piece.

24 MR. GAUGHAN: Thank you. In the  
25 plan it says that the city should strive to



1 hit a \$1.5 million annual PILOT target for  
2 2015, '16 and '17, are we anywhere close to  
3 that or --

4 MR. AMOROSO: Yeah, I don't think  
5 that you're lucky to hit \$1.5 million in  
6 2015, I think we are going to have  
7 significant process in 2016, but we would  
8 have to really count all of the things that  
9 are being done, even though they may not fit  
10 the definition of PILOTS, things ranging  
11 from contributions to recreational  
12 undertakings, subsidizing of costs that  
13 would otherwise be the cities, as I said, as  
14 well as talking to some of our PILOT  
15 partners achieving capital support because  
16 the city was starved for capital  
17 appointment.

18 MR. GAUGHAN: Thank you. Just to  
19 touch on the pensions a little bit, Mayor  
20 Court right, you recently held a press  
21 conference asking that the City Pension  
22 Boards turn their pension plans over to the  
23 state, did you have conversations with the  
24 unions and Pension Boards priority to your  
25 press conference regarding relinquishing

1           that control?

2                   MR. COURTRIGHT: Did I speak to them  
3           beforehand?

4                   MR. GAUGHAN: Yes.

5                   MR. COURTRIGHT: No.

6                   MR. GAUGHAN: And have you engaged  
7           the unions and Pension Boards since your  
8           press conference to discuss the request?

9                   MR. COURTRIGHT: Not the Pension  
10          Boards, I spoke to the union, I would think  
11          you would call them presidents, and that's  
12          when they had said to me, not that they  
13          weren't interested, but they had questions  
14          and that's why Attorney Shrive is working to  
15          bring PMRS up here.

16                  MR. GAUGHAN: And can you ex just  
17          explain the whole process of turning the  
18          pensions over the state? What are the  
19          primary benefits, what impact would it have  
20          on our budget, does it help us out  
21          financially? I mean, and I agree that it  
22          should be done, so I agree with your press  
23          conference, but can you explain what the  
24          thinking behind that was, like, what are the  
25          primary benefits, why do you support that?

1 MR. COURTRIGHT: Well, they are  
2 experts and they do best practices and  
3 that's what we need, that's what we're  
4 lacking right now, I believe.

5 MR. GAUGHAN: How does the process  
6 work? What would have to happen for the  
7 pension boards to --

8 MR. COURTRIGHT: I'll defer to  
9 Mr. Shrive, but I believe we need their  
10 agreement would be the first step.

11 MR. SHRIVE: Right, I think that  
12 PMRS is probably better to speak to the  
13 entire process and what benefits they derive  
14 from coming and taking over the plans, but  
15 some of the information that has already  
16 been reported in the newspaper as far as 75  
17 percent of the vote of the pensioners and  
18 the like would be required to be able to do  
19 that. I think that we'll have a lot better  
20 understanding of the pensioners, and council  
21 and anybody else that's really interested in  
22 the process when we bring PMRS up to talk  
23 about it because it's not a quick fix, it's  
24 not PMRS providing us with the pension  
25 payment or with the MMO, the city is still

1 on the hook financially for the pensions,  
2 but they are run in a professional manner by  
3 experts in investment and actuarial science  
4 and people that do it for a living, not  
5 people that are volunteering to help out  
6 their fellow union members or retirees, it's  
7 somebody that has a day-to-day experience  
8 with it, they have the ability to hire  
9 professionals. They do it on statewide  
10 basis where just the volume of it alone  
11 provides more protection for the plan. But  
12 I think that when we have this meeting, we  
13 are hoping to have it in the very near  
14 future and a lot more details will become  
15 available.

16 MR. GAUGHAN: Okay, thank you very  
17 much. This has already been touched on but,  
18 Mayor, as you know it's been well-documented  
19 that the City of Scranton has the highest  
20 disability pension rate in the state, there  
21 were 151 retired firefighters receiving  
22 pensions of which 88 or 58 percent are  
23 disability pensions. The police department  
24 had 146 retirees of whom 73 or 50 percent  
25 were on disability pensions and this has

1 cost the fund \$5.2 million. I, along with  
2 my colleagues, have been quite vocal on a  
3 call to reform the proces for disability  
4 pensions, and we have been told it's been  
5 review for months now. Have any measures  
6 been taken to reform the disability pension  
7 process and what is your take on that,  
8 Mayor?

9 MR. COURTRIGHT: I'm going to ask  
10 Mr. Shrive to speak to it, but we do put in  
11 the contract when it came down to if you  
12 apply for a disability pension that you  
13 couldn't just go to a doctor your choice,  
14 and one other doctor, it would be a doctor  
15 designated by the City and a doctor who is  
16 an expert in that particular field.

17 MR. SHRIVE: That's one area that  
18 would tighten up the process and provide for  
19 one expert in that specific medical field as  
20 opposed to, you know, a union doctor, a city  
21 doctor, a family doctor and a majority rule  
22 type of the situation that was before. We  
23 have also engaged with an our third party  
24 administrator for Workers' Comp to bring  
25 about best practices as far as how to reduce

1 the risk of disability and work comp injury  
2 and they are exploring that as we speak.

3 I think in the future you will see a  
4 significant decrease in our disability  
5 pensions, and I think that a turnover to  
6 PMRS will also help alleviate that issue.

7 MR. GAUGHAN: Can we expect any time  
8 soon a change, something that comes down to  
9 council legislation wise amending the  
10 pension ordinances as it relates to  
11 disability?

12 MR. SHRIVE: One thing that we have  
13 to remember when we are dealing with the  
14 pensions is in Pennsylvania all of them are  
15 subject to Act 111 and the negotiation  
16 process, so any changes that we make on a  
17 going forward basis would have to be by  
18 agreement as well as the PMRS changeover,  
19 but you won't have anything to council until  
20 we have an agreement on the specific issues  
21 like we did in the fire contract with the  
22 change to the way that the disabilities are  
23 approved by one doctor as opposed to the  
24 three.

25 MR. GAUGHAN: Right.

1 MR. SHRIVE: But we are definitely  
2 working on it and meeting with the unions to  
3 try and make it definitely a more efficient  
4 process.

5 MR. GAUGHAN: Thank you.  
6 Mr. Amoroso, as you are well aware, back in  
7 January and February of 2015 the mayor  
8 renegotiated contracts with the fire and  
9 police unions. Mayor Courtright said that  
10 we should expect to see up to \$1 million in  
11 savings from these new contracts. First,  
12 how are we tracking these savings? Are we  
13 able to actually track the savings and where  
14 are we in that process? How much have we  
15 saved and will be able to see that \$1  
16 million figure?

17 MR. AMOROSO: I do believe you will  
18 able to see the \$1 million figure.  
19 Remember, part of the contract requires, as  
20 I said earlier in my opening, that the city  
21 be in a position through it's director who  
22 has a relatively tight bandwidth that they  
23 be able to manage under the terms of those  
24 contracts. So in order to achieve those  
25 savings we have to manage things like

1 overtime, we have to manage other activities  
2 and there could be unforeseen circumstances  
3 that could justify the overtime, but the  
4 city has to manage that as well, it's not  
5 easy. It sounds like it is, but it's not  
6 easy, but the contracts if measured and  
7 scored do produce a million dollar savings.

8 MR. GAUGHAN: Do we know where we  
9 are at in that process? Can we actually  
10 look at and say, "Okay, so far we have saved  
11 this much?"

12 Are we 50 percent of the way  
13 through?

14 MR. AMOROSO: I don't know. Again,  
15 I would probably defer that to Dave, but  
16 it's probably too early given how soon that  
17 they have been implemented.

18 MR. GAUGHAN: Okay.

19 MR. COURTRIGHT: If I could say  
20 this, I spoke to the chief earlier this  
21 week, Chief Graziano, and he said to me that  
22 if we hadn't done the contracts as we did it  
23 that we would have expended an additional  
24 \$300,000 from what we expended now and I  
25 believe Councilman Wechsler has spoken to



1 both chiefs, have you not?

2 MR. WECHSLER: Correct, and that was  
3 the same information he gave me.

4 MR. GAUGHAN: Mayor Courtright, and  
5 this has been touched on a little bit, are  
6 we still on track for 2016 and 2017 tax  
7 increases as it relates, Mr. Amoroso  
8 mentioned the 6 percent in 2016 and 4  
9 percent to 2017, are we still on track for  
10 that?

11 MR. COURTRIGHT: I believe we are  
12 for 2016, I can't see that far out for 2017.

13 MR. GAUGHAN: Okay. Is there  
14 anything that could happen within the plan  
15 that would -- any shortfall that we are  
16 looking at right now that would call for an  
17 additional increase, higher than 6 percent?

18 MR. AMOROSO: Yes. If we are unable  
19 to resolve the pension issue, if we are  
20 unable to refinance the judgment, if we  
21 can't execute on the parking monetization  
22 the way that makes sense for the city and  
23 kick the can down the road to another day,  
24 there is no other source of revenue that has  
25 elasticity, as painful as it is, other than

1 the property tax. So if those things don't  
2 happen, this is the important part of the  
3 plan, that there has -- the pension bill is  
4 going to go up. It's certain it's going to  
5 go up. The extent to which it goes up is a  
6 function of an actuarial calculation that  
7 will potentially be improved in the state  
8 pension plan, but if we give the state to  
9 the state pension plan, super fund the  
10 pension, which means executing on the Sewer  
11 Authority monetization of which you folks  
12 don't have a lot of resent control over, the  
13 parking monetization, and the refinancing of  
14 the judgment at proper rates, those things  
15 don't happen. They all produce expenses  
16 that are not called for in the plan, greater  
17 than what the calls for, there is only one  
18 place for it to land, property taxes.

19 MR. GAUGHAN: Okay, thank you. This  
20 was touched on also, but it's something  
21 that's brought up to all council members  
22 regularly, especially when we're out in the  
23 public and I think there is a disconnect  
24 people, don't understand the difference  
25 between personal bankruptcy or Chapter 9

1 bankruptcy, so could you just explain what  
2 would have to happen for the city to go into  
3 receivership and bankruptcy and explain that  
4 process. Is it a good thing, a bad thing?

5 MR. AMOROSO: Well, personally, and  
6 from my experience and from what we study,  
7 okay, we don't see municipal bankruptcies as  
8 a good thing, we see them as a bad thing.  
9 They are very different than personal or  
10 corporate restructures, Chapter 7 or 11. A  
11 Chapter 9 also requires approval of the  
12 state. So even if the City of Scranton  
13 wanted to go into bankruptcy you would have  
14 to petition the state and the state would  
15 have to say, "We approve it."

16 The state might say, "We don't  
17 approve the bankruptcy, we don't think  
18 that's in the best interest of the  
19 Commonwealth."

20 In the overall picture, bankruptcy  
21 could effect the rest of our credit, it  
22 would effect the rest of these marginal  
23 pensions and, therefore, we are going to  
24 appoint a receiver and a receiver is going  
25 to come to town, a receiver is going to have

1 protect the revenue. The receiver has to  
2 secure the revenue. So a receiver will come  
3 to town and lift your property taxes because  
4 they have to secure the revenue stream.

5 So a lot of people speak about let's  
6 go bankrupt.

7 MR. GAUGHAN: Right.

8 MR. AMOROSO: And that fixes the  
9 problems, but I don't know that it's well  
10 thought out when they say it. I certainly  
11 empathize with the instinct that because of  
12 what they read in the newspaper, whether it  
13 be personal or whether it be some  
14 corporation somewhere, it just doesn't work  
15 that way in municipalities. So in some of  
16 these counties they have seen pensions cut  
17 in half, the City's credit destroyed and  
18 business leave.

19 In Detroit it's not a comparison by  
20 any stretch of the imagination like here.  
21 There was such participation by a large  
22 foundation or foundations and others,  
23 millions of dollars, very different type of  
24 problem. My expectation is the state does  
25 not want to see the City of Scranton file

1 for bankruptcy. The state probably doesn't  
2 want to see it because it's not good for  
3 Scranton, it's not good for the state and  
4 you would invite a receiver who would solve  
5 the problem with property taxes.

6 MR. GAUGHAN: Right.

7 MR. MCGOFF: Isn't that also in the  
8 hands of PEL in August of 2016 in their  
9 recommendation to the state?

10 MR. AMOROSO: If the city's plan,  
11 the timeline that was discussed broader  
12 strokes in the PEL recovery plan, if the  
13 city has not been able to achieve aspects of  
14 the plan it could pave the way for a  
15 receiver. It could pave the way for a  
16 receiver.

17 MR. GAUGHAN: And just a clarify,  
18 I'm not advocating for bankruptcy, I just  
19 want a clarification because, as I said, we  
20 all hear it almost every day --

21 MR. AMOROSO: Sure.

22 MR. GAUGHAN: Mayor Courtright,  
23 besides the city's finances are you working  
24 on any other initiatives for economic  
25 development throughout the city and

1           downtown? What other initiatives outside of  
2           the Amoroso plan are you working on or have  
3           you thought about?

4                   MR. COURTRIGHT: I think Mr. Preambo  
5           and Ms. Aebli be sending some legislation  
6           down this week and then some in maybe a week  
7           or two from now on two businesses that they  
8           have been working on so they are actively  
9           working on it. It's not easy, I think as  
10          everybody knows, to get somebody to move  
11          into the city, but they have been working  
12          very hard and I do want to credit both  
13          Mr. Preambo and his team for all their hard  
14          work.

15                   MR. GAUGHAN: Are there any other  
16          initiatives besides that that you are  
17          working on?

18                   MR. COURTRIGHT: I think the main  
19          thing is that we get our finances in order.  
20          If the people see that the city has their  
21          finances in order they are going to want to  
22          come here. If they see that we are  
23          floundering and going down they are not  
24          going to so I think that's our main focus  
25          and always has been our main focus to get

1           our finances in order.

2                   MR. GAUGHAN: I just have two  
3           questions, when will the city receive a  
4           favorable bond rating? Is there a timeline  
5           for that? Are we close, are we not close?  
6           I don't know if you will able to answer that  
7           question.

8                   MR. BULZONI: There has been some  
9           discussion, especially recently, about  
10          actually approaching the rating agencies to  
11          see if we can secure a rating. You know,  
12          certainly the rating would be a lower tier  
13          rating at this point, not having a rating is  
14          not preventing us from looking at issuing  
15          debt, but certainly having a rating would  
16          open the door for us to achieve a more  
17          favorable debt structure, possibly secure  
18          insurance which would, again, drop the cost  
19          of borrowing as well.

20                   The fact we are talking about it now  
21          is really very surprising. Initially, when  
22          we first started discussing that prospect we  
23          were thinking maybe the end of next year.  
24          We are thinking that if a lot of these  
25          initiatives that we are working on continue

1 to flow pretty conveniently, we may be  
2 having some of those discussions closer to  
3 the end of this year.

4 MR. GAUGHAN: Thank you.

5 MR. AMOROSO: I would just add as  
6 well, we had an opportunity to speak about  
7 debt with the rating agencies on a regular  
8 basis as well as the national publication  
9 that cover it. They are all accelerating  
10 their reviews of Scranton in part because  
11 they see certain economic activity, they see  
12 the recovery plan taking place, they see the  
13 symmetry of some of the work with the state,  
14 they see the plan, so we have gotten  
15 particularly good coverage in some of the  
16 bond and trader type of articles and the  
17 rating agencies are asking questions every  
18 week relative to the plan, which I think to  
19 Dave's point has accelerated the probability  
20 that the city will be rated sooner than we  
21 had anticipated.

22 MR. GAUGHAN: Thank you.

23 MR. COURTRIGHT: One thing maybe I  
24 can mention as a side, is I think the  
25 biggest economic development I think we



1           undertook was just that we are going to have  
2           3 point some million dollars in paving,  
3           which the city hasn't seen in decades.

4                   MR. GAUGHAN: Thank you. Mayor, and  
5           this might be unrealistic, but it's a  
6           question that I get all of the time, has  
7           anyone asked or have you approached the  
8           unions or anyone in your administration and  
9           ask if they would forgive the judgment or  
10          the interest on the judgment or, as  
11          Mr. Evans had mentioned, put it back into  
12          the pension? Has there been any meaningful  
13          discussion on that, Mayor Courtright?

14                   MR. SHRIVE: Not to interrupt, but  
15          because the arbitration award and the  
16          judgment are subject to negotiation,  
17          including the way that we pay it out and  
18          what they would accept we can't comment on  
19          it at this point because it would be an  
20          unfair labor practice.

21                   MR. GAUGHAN: Thank you. The rental  
22          registration lawsuit, do we have a plan to  
23          address that and the shortfall that it might  
24          cause in next year's budgets since we are  
25          putting it in an escrow, can you not answer

1           that either?

2                   MR. SHRIVE: My last response,  
3           because it's ongoing litigation we can  
4           certainly discuss it with attorney Minora  
5           and he can brief you on an executive session  
6           or I can come to an executive session and  
7           brief you on the case, but because it's  
8           still ongoing we wouldn't be able to discuss  
9           that.

10                   MR. GAUGHAN: But is there -- I  
11           mean, I don't know if you can talk about  
12           this, but is there at least a plan budget  
13           wise how we are going to make up for that  
14           lost revenue?

15                   MR. SHRIVE: I really couldn't  
16           comment on it at this point, because to  
17           comment would be to comment on whether the  
18           lawsuit was viable or not.

19                   MR. GAUGHAN: Okay, and one final  
20           question, as it relates to the \$1 million in  
21           contract savings, will you able to give a  
22           document or a something to council to show  
23           us where we are with that at the end of the  
24           year or will we be able to see if we hit  
25           that mark? And the reason I ask is because

1 I think it's important because it was  
2 touted, it was a reason, it was  
3 justification for some of the things that we  
4 may have given away, so I just think it's  
5 important that the public and council be  
6 able to see if you've hit that mark.

7 MR. AMOROSO: We'd have to look at  
8 what the cost run would have been and there  
9 is some variables in that, had the contract  
10 not been negotiated what that expense would  
11 be and what did the expense number come out  
12 at the end of the year. So those two whole  
13 numbers might not spread a million dollars,  
14 the reality that didn't occur, the cost that  
15 you might have otherwise incurred without  
16 the contract being modified we should be  
17 able to score that.

18 MR. GAUGHAN: Thank you very much  
19 and I'd just like to thank you again for  
20 coming in.

21 MR. MCGOFF: I'm going to ask one  
22 additional question, what is the -- are we  
23 going to be able to meet the 2015 MM0? Is  
24 there a likelihood as you see as we  
25 progress?

1 MR. BULZONI: Yes.

2 MR. MCGOFF: There is a lot of  
3 consultation there for a yes.

4 MR. EVANS: Before we break up, I  
5 would like to take up Attorney Shrive on  
6 your offer to meet in executive session to  
7 talk about the rental registration so we can  
8 make arrangements for that. Thank you.

9 MR. GAUGHAN: I have one additional  
10 that I just thought of, sorry, and this is  
11 the last one. Mayor, this is in the plan,  
12 and I think it's important, have you  
13 appointed a commission on various  
14 stakeholders and leaders from both inside  
15 and outside government to develop a strategy  
16 on the implementation of various shared  
17 services program?

18 MR. COURTRIGHT: Shared services?  
19 No.

20 MR. GAUGHAN: Yeah -- okay, thank  
21 you.

22 MR. MCGOFF: Anything else? Any  
23 comments?

24 MR. COURTRIGHT: Just thank you for  
25 hearing us. All of us are working hard each

1 and every day and we are working very close  
2 with the state and we trying to give you all  
3 of the information we could, obviously some  
4 of the information we just can't, but we are  
5 working very hard each and every day and I  
6 do want to thank the senators, Senator  
7 Blake, Senator Casey, Congressman Cartright  
8 and our two representatives Flynn and Farina  
9 and especially the governor for all the  
10 access they have given us. I mean, we have  
11 had unprecedented access to DCED. I believe  
12 that Dave and every -- all of us here, but  
13 probably mostly Dave and Mr. Amoroso, talk  
14 to people from the state multiple times each  
15 and every single day. So sometimes it may  
16 not seem like things are getting done, but  
17 trust me people are all working very hard,  
18 so thank you.

19 MR. MCGOFF: And last thing, I would  
20 really like to thank you, I know this was a  
21 lengthy conversation or dialogue, but thank  
22 you for coming and hopefully in the future  
23 we can get updates that will suffice so that  
24 we may not need to go through the lengthy  
25 session that we had this evening but, again,

1 thank you for coming and have a safe trip.

2 (The panel leaves chambers.)

3 MR. MCGOFF: That concludes 5-A,  
4 motions, and we will move forward.

5 MS. REED: 5-B. FOR INTRODUCTION -  
6 AN ORDINANCE - AMENDING FILE OF THE COUNCIL  
7 NO. 14, 2010, ENTITLED AN ORDINANCE  
8 "AMENDING THE ADMINISTRATIVE CODE OF THE  
9 CITY OF SCRANTON, PENNSYLVANIA, SECTION 6-14  
10 CONTRACTS, SUBSECTION (A) TO REDUCE THE  
11 AMOUNT ABOVE WHICH COMPETITIVE BIDDING IS  
12 REQUIRED FROM \$20,000.00 TO \$10,000.00 AND  
13 TO REDUCE THE AMOUNT ABOVE WHICH QUOTES MUST  
14 BE OBTAINED FROM \$5,000.00 TO \$4,000.00" TO  
15 INCREASE THE AMOUNT ABOVE WHICH COMPETITIVE  
16 BIDDING IS REQUIRED FROM \$10,000.00 TO  
17 \$19,400.00 AND TO INCREASE THE AMOUNT FROM  
18 WHICH QUOTES MUST BE OBTAINED FROM \$4,000.00  
19 TO \$10,500.00 TO BE IN LINE WITH  
20 COMMONWEALTH STANDARDS AND OTHER SIMILARLY  
21 SITUATED MUNICIPALITIES WITH REGARD TO  
22 BIDDING THRESHOLD.

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

1 MR. ROGAN: So moved.

2 MR. WECHSLER: Second.

3 MR. MCGOFF: On the question? All  
4 those in favor -- oh, I'm sorry.

5 MR. GAUGHAN: Yes, on the question,  
6 we did discuss this back in caucus, and I  
7 did have one question, and I don't know if  
8 will be able to find it out, but I would  
9 like to know what the average amount is that  
10 the city spends on advertising and what  
11 would be the estimated amount of savings  
12 should this legislation pass because we  
13 might save on advertising so that's  
14 something that I will be looking into this  
15 week.

16 MR. MCGOFF: All those in favor of  
17 introduction signify by saying aye.

18 MR. WECHSLER: Aye.

19 MR. ROGAN: Aye.

20 MR. EVANS: Aye.

21 MR. GAUGHAN: Aye.

22 MR. MCGOFF: Aye. Opposed? The  
23 ayes have it and so moved.

24 MS. REED: 5-C. FOR INTRODUCTION -  
25 AN ORDINANCE - AMENDING FILE OF THE COUNCIL

1 NO. 41, 2010, AN ORDINANCE ENTITLED  
2 "AMENDING THE ADMINISTRATIVE CODE OF THE  
3 CITY OF SCRANTON, PENNSYLVANIA, SECTION 6-14  
4 CONTRACTS, SUBSECTION (C) TO PUBLICLY BID  
5 FOR PROFESSIONAL SERVICES" TO INCREASE THE  
6 COST OF THE BIDDING THRESHOLD FROM  
7 \$10,000.00 TO \$25,000.00 IN ORDER TO PROVIDE  
8 FOR MORE EFFECTIVE DELIVERY OF MUNICIPAL  
9 SERVICES AND TO CHANGE PROPOSALS TO  
10 QUALIFICATIONS.

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

14 MR. ROGAN: So moved.

15 MR. WECHSLER: Second.

16 MR. MCGOFF: On the question?

17 MR. GAUGHAN: Yes, on the question  
18 another question on this legislation that  
19 I'll be trying to find out this week is  
20 where the \$20,000 figure -- how the  
21 administration arrived at that figure and  
22 what the justification is for the increase.

23 MR. MCGOFF: Anyone else? All those  
24 in favor of introduction signify by saying  
25 aye.



1 MR. WECHSLER: Aye.

2 MR. ROGAN: Aye.

3 MR. EVANS: Aye.

4 MR. GAUGHAN: Aye.

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

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

8 READING BY TITLE - FILE OF THE COUNCIL NO.  
9 106, 2015 - AN ORDINANCE - CREATING THE  
10 POSITION OF POLICE CHAPLAIN WITHIN THE  
11 SCRANTON POLICE DEPARTMENT.

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

14 MR. ROGAN: I move that Item 6-A  
15 pass reading by title.

16 MR. WECHSLER: Second.

17 MS. MCGOFF: On the question? All  
18 those in favor signify by saying aye.

19 MR. WECHSLER: Aye.

20 MR. ROGAN: Aye.

21 MR. EVANS: Aye.

22 MR. GAUGHAN: Aye.

23 MR. MCGOFF: Aye. Opposed? The  
24 ayes have it and so moved.

25 MS. REED: 6-B. READING BY TITLE -

1 FILE OF THE COUNCIL NO. 107, 2015 - AN  
2 ORDINANCE - DEFINING AND REGULATING THE  
3 SIZE, OPERATION AND USE OF PORTABLE  
4 ON-DEMAND TEMPORARY STORAGE CONTAINERS, AS  
5 DEFINED HEREIN AND AUTHORIZING ENFORCEMENT,  
6 AND IMPOSITION OF PENALTIES AND FEES FOR  
7 VIOLATIONS WITHIN THE CITY OF SCRANTON.

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

10 MR. ROGAN: I move that Item 6-B  
11 pass reading by title.

12 MR. WECHSLER: Second.

13 MS. MCGOFF: On the question?

14 MR. GAUGHAN: Yes, I do still have a  
15 couple of questions about this and we  
16 touched on it in caucus, one of them is the  
17 question of enforcement. As was brought up  
18 tonight in the meeting, there does seem to  
19 be a lot of these on demand storage  
20 containers throughout the city. You know,  
21 one of the questions that I would have for  
22 Licensing and Inspections is how would we  
23 enforce that, is it enforceable? The other  
24 thing that was brought up tonight that is, I  
25 think it is a good question, will the other

1 storage containers that are out there be  
2 grandfathered in, and I still have a  
3 question of the \$50 fee what the  
4 justification is for that and where they  
5 came up with that figure.

6 MR. MCGOFF: Certainly if those  
7 questions aren't answered we could table  
8 this next week until they are, but I prefer  
9 that we vote on it this evening.

10 MR. GAUGHAN: Yeah. I agree with  
11 that.

12 MR. MCGOFF: All those in favor  
13 signify by saying aye.

14 MR. WECHSLER: Aye.

15 MR. ROGAN: Aye.

16 MR. EVANS: Aye.

17 MR. GAUGHAN: Aye.

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

20 MS. REED: SEVENTH ORDER. 7-A. FOR  
21 CONSIDERATION BY THE COMMITTEE ON COMMUNITY  
22 DEVELOPMENT - FOR ADOPTION - FILE OF THE  
23 COUNCIL NO. 105, 2015 - AMENDING FILE OF THE  
24 COUNCIL NO. 35, 2013, AN ORDINANCE, AS  
25 AMENDED ENTITLED "AUTHORIZING THE MAYOR AND

1 OTHER APPROPRIATE CITY OFFICIALS TO DISBURSE  
2 THIRTY THOUSAND DOLLARS (\$30,000.00) FROM  
3 THE ACCOUNT INTO WHICH REPAYMENT OF URBAN  
4 DEVELOPMENT ACTION GRANTS (UDAG) ARE  
5 DEPOSITED (UDAG REPAYMENT ACCOUNT) FOR THE  
6 CONNELL PARK AND NOVEMBRINO SWIMMING POOLS  
7 TO BE OPENED IN TIME FOR THE 2013 SWIM  
8 SEASON" TO ALLOW THE REMAINING FUNDS IN THE  
9 ACCOUNT TO BE USED FOR REPAIRS DONE TO THE  
10 CONNELL PARK SWIMMING POOL IN 2014 AND THE  
11 REPAIRS CURRENTLY BEING DONE FOR THE 2015  
12 SWIM SEASON OR UNTIL ALL FUNDS ARE  
13 EXHAUSTED.

14 MR. MCGOFF: What is the  
15 recommendation of the Chair for the  
16 Committee on Community Development?

17 MR. ROGAN: As Chairperson for the  
18 Committee on Community Development, I  
19 recommend final passage of Item 7-A.

20 MR. WECHSLER: Second.

21 MR. MCGOFF: On the question? Roll  
22 call, please?

23 MS. CARRERA: Mr. Wechsler.

24 MR. WECHSLER: Yes.

25 MS. CARRERA: Mr. Rogan.

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MR. ROGAN: Yes.

MS. CARRERA: Mr. Evans.

MR. EVANS: Yes.

MS. CARRERA: Mr. Gaughan.

MR. GAUGHAN: Yes.

MS. CARRERA: Mr. McGoff.

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

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

MR. ROGAN: Motion to adjourn.

MR. MCGOFF: This meeting is  
adjourned.

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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.

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CATHENE S. NARDOZZI, RPR  
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