

Julio Guridy, President  
Ray O'Connell, Vice President  
Joseph Davis  
Jeanette Eichenwald  
Cynthia Y. Mota  
Michael Schlossberg  
Peter Schweyer



Allentown City Council  
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**COUNCIL MEETING MINUTES**  
**August 15, 2012**  
**EAST SIDE YOUTH CENTER**  
**Community Room on Gym Side**  
1140 East Claire Street

**Council Meeting – 7:00 PM**

**1. Invocation: Joe Davis**

**2. Pledge to the Flag**

**3. Roll Call:** Davis, Eichenwald, Guridy, Mota, O'Connell, Schlossberg, Schweyer  
John Marchetto represented for the Solicitor's office

**4. Courtesy of the Floor**

Mr. Lou Hershman, 405 N. Gilmore Street, stated that his concern is on the sale of the water and sewer. There is doubt that the city even owns the water system because we have an ordinance on the books an Article that says the Allentown Authority owns it even though they have not met since 1988. Council even suspended that authority. He stated remember you raised the wage tax .35 that was supposed to take care of all the unfunded liabilities in the pension fund and now you are going to substitute with the sale/lease of the water plant and do away with the .35. If you keep the .35, in ten years all your debt is paid for. In the meantime people's water and sewer rates are going to increase double or triple in those ten years. Many people are senior citizens like me and you will be and you have to look at that. They are on fix incomes and they do not work. They will not get away from that increase. Someone said it was transferred. When, no one can find the records. If it was transferred, the ordinance should have been changed. The digital water meters are going to increase the water rates automatically. His biggest concern is the mayor will get rid of 100 people in the water and sewer and you are going to lose state aid. Pension Aid from the state is based on the number of employees we have and if we lose 100 employees we can really reduce our state aid.

Mr. Peter Schweyer stated that the digital water and sewer meters are not going to increase rates in the city. It will theoretically increase the accuracy of reading and the overall revenue.

Ms. Ann Copin, vice president of Little Lehigh Watershed Association/Coalition which is guarding your water supply as best they can. She served as an elected official for 24 years as a Salisbury Commissioner and retired 2001 and she had six terms. Selling a finite resource like your source water or leasing it by having other entities take over to one a private company that is for-profit and the other entity that did not care what happened to Little Lehigh. As an elected official she believes they all raised your hand to take that oath in order for you institute in full the constitution of Allentown, Pennsylvania. Are you familiar with Article I – Section 27? The people have a right to clean air, pure water, and the preservation of the natural scenic, historic and ethic value of the environment. Pennsylvania public natural resources are the common property of all the people including generations yet to come. As trustees of these resources, you should conserve and maintain for the benefit of the people. Don't sell us short and don't sell the resources short. Do not do this deal.

Mr. Dennis Pearson stated that it will be dark and Council we see how empty the businesses are from this stretch from Jerome Street to Maxwell Street. Across the road, the 7-Eleven moved away and you have a gas station is out of there, the dealership is out of there and Dorward's Wholesale is very little used. In regards to leasing of the water/sewer service, yes you get money, but once you lease it the money you suppose to get for delivering water to LCA goes to whomever you lease it to. A lot of the LCA's board is appointed by the Lehigh County Commissioners' and they also review LCA's capital improvement budget. LCA is their own financing agent and who is to say that should they take over that they would say that the rate payers of the City of Allentown will pay more into the system then the other ones. Who will be there to protect the citizens of Allentown?

Mr. Dan Poresky stated that in regards to the water privatization issue, you Councilpersons only have one chance to exercise your authority on this issue that the mayor is putting forth. You may be told that you are only authorizing the negotiations. You are giving preliminary approval and approving a budget item, but it may be the only chance you have. This is how the pension fiasco got by you. You could and should have said no then and you should say no now. If you have any doubts on the right thing to do, you must vote no to whatever is put on the agenda in regards to this privatization. If you vote no, the administration can always come back later for another vote. The mayor says that the city will retain control of the water sources; you know what that means when you say that. Will the city be able to limit the amount of water that a private company draws from the springs? Will the city be able to control to whom the water is sold. Can it be sold to bottlers, developers, to natural gas frackers? Let's say the outside users are willing to pay double or triple the price that residents are paying and a major company wants to set up in Allentown. The hockey arena may be an example. Can the city force the water company to sell to a company that wants to set up here for less? Of course not the water company will never agree to these types of controls. What kinds of control is the mayor talking about? He thinks Council should ask him. Whoever controls the water, controls the development in the entire region. Consider this, a private company we lease to get bought out and the new company refuses to abide the provisions that we made with the original company, you think we will win that fight. Over a fifty year period, the people we started with may be replaced multiple times. Always remember the fundamental difference between a private company and a public agency. The first responsibility of a company is to maximize profits. Any CEO who does otherwise will soon be replaced by its board and stockholders. The first responsibility of government you know is to meet the needs of its residents and any government that acts otherwise could also be replaced by its citizens and often is. Do you think it is wise to give a private company a fifty year monopoly on our most critical asset? Do you know how many municipalities with water and sewer signed a fifty year lease with a private company? His understanding is that this will be the first in the nation. Why do you think others have not done this? Please take your time and please don't be rushed by threats of calamity. It is not true. Look at all the risks and alternatives. If you defer to the mayor on this one, you are just as responsible and accountable as he is.

Mr. Glen Hunsicker, 1051 N. 19<sup>th</sup> Street, Citizens of Common Sense Committee stated do your due diligence on this water process, research it, and get into it. If you don't have the knowledge to do it, hire someone to do it. This is important and may be the most important vote for the citizens of Allentown. You are the only stopgap in this matter. If it goes down and gets leased for fifty years, in effect it is a sale and you call it a lease. He does not think anybody in this room will be around in fifty years, not even their kids, but the case is if we lose this why we need a mayor. What is the mayor going to mayor over? You are in a short-term position, but do the right thing for the citizens. He stated that he would like to talk to each Councilmember privately.

Mr. Schlossberg stated that based on your earlier comments he knows we he stands on this. He would like to say that the only thing they can do and most obligated to do as Councilmembers is to do our own

research. The mayor provided us with information and he absolutely reviewed that and he has been provided information by many people in this room and he reviewed that as well and he has done his best to go out and try to review as many academic/independent forms of research that he can. It is very interesting and there is a quite a bit out there. You get to read about absolute disasters and you get to read about success stories. He thinks that anybody sitting here and who is not doing their research is failing in their job. You are absolutely right, we all need to be doing our own independent research in order to make sure that whatever decision we make, yes or no is the right one.

Mr. Adam Bevan, 4480 Beachwood Lane, stated that he has been speaking with the Mayor about this on Facebook about this back and forth and there are a couple of questions that he had not been able to answer for me. Are there any multi-national corporations that are offered in this bidding? If yes, what other investments do they have and is it in the natural gas industry and will they be able to create water controls from the system. Would they be able to deal with any flow back waters that get into our streams? Would they be able to handle that as well and, are there any private/independent studies done for other options. They said the parking meters, and they also wanted to potentially lease the golf course. What exactly were those other options and if not, will it be a public comment period where we can make it available for people to come and offer their opinions as well as other options. He does not think that this is the best option.

Mr. Julio Guridy deferred to Mr. Schlossberg to take a crack at what you said.

Mr. Mike Schlossberg stated that Mr. Adam asked a lot and forgive him if he forgets something and please correct him if he did. Are there multinational corporations that are going through the RFQ process right now, absolutely? He does not want to get into specifics because he does not know if that list is public or not. It is safe to say yes, they are. Have we examined the alternatives, yes that has been a big part of his research. He is sure his colleagues as well and the administration. He is pretty much convinced that if they don't do this you would do one of four things: raise taxes and there are a variety of taxes we could raise, you cut services and look to selling or leasing additional assets or you flip pension bonds and personally just speaking for himself he does not think there is anything else. There is a broader array of things you could do within those four things. Selling the Parking Authority, he does not know what the valuation is, but he knows that it just not nearly enough. There is not nearly enough in the Parking Authority and the Parking Authority has way too much debt. The only other major asset besides water and sewer the city owns is the Golf Course and we can't sell that because the Golf Course is actually deeded to the city by General Trexler and are deed restrictions there that would make selling of it pretty much useless. Water withdraws, personally that's a question to be answered in the details of the contract to be negotiated and he will not vote on a contract that allowed for any entity to make any withdraws whatsoever other than in order to service the people of the water and sewer system. Again, he is just speaking for himself. He stated about the flow back he will not vote for any contract that doesn't and he is not saying that he is going to vote for a contract that does. He is just saying personally that is a minimum standard for him.

Mr. Adam Bevan asked was there a special report generated for other options. He stated that the firms that were listed by the mayor were privatization firms.

Mr. Mike Schlossberg stated that he does not know of any firms listed as pre-qualifying because that information is not public yet.

Mr. Adam Bevan stated wouldn't that be a good idea.

Mr. Mike Schlossberg stated that it would be, but right now you don't really release information in the middle of contracting/purchasing or bidding process.

Mr. Ray O'Connell stated that the city is at the RFQ process.

Mr. Mike Schlossberg stated that it is not reached that point.

Mr. Julio Guridy stated that they are not at the bidding point.

Mr. Mike Schlossberg stated that they are not at the point in the process. As for public comments on alternatives he has publicly previously been critical as many of his colleagues on the administration on what we perceive to be not transparent enough and too secretive. He is actually going to give them credit. They did learn their lesson. There are four public meetings and we had two of them and have two more to go. It is a perfect time for people to ask questions and give comments and feedback. He feels relatively comfortable on the level of transparency so far.

Ms. Jeanette Eichenwald stated that the discussion that has just taken place prompts her that she needs to bring up some issues. In courtesy of the floor, they really cannot have an extended debate or discussion about where this is going to lead. They have been promised, by we, she means the seven City Council of that there will be four public meetings at which this could be discussed where we could have these kinds interchanges and she thanks everybody very, very much who is here this evening because courtesy of the floor allows you to do this. She attended the two that have so far been scheduled and will attend the next two and what I observed that it is not a public meeting, Mr. Schlossberg there is no opportunity to give public comment. What it has become and for those of you who were there can attest to it as well, it has become a public presentation by the mayor. She is not saying that is not necessary, but out of the 120 minutes that have been allotted of the last two sessions that she attended the mayor spoke for 110 minutes. For nine minutes, a paid Public Relations person read questions. For under a minute, citizens attempted to say something and they were told this is not the forum. The reason being is that they do not have the right to dominate the conversation. She begs to defer and thinks the citizens of Allentown do have a right to dominate the conversation. In order for her to do her independent research, part of that is to hear what the citizens have to say. After all, the water belongs to you as well as it belongs to me and these four public meetings, the two she has attended so far has not given the citizens the right. What the citizens have a right to do is on a piece of paper to only write a question. Not even to ask that question, that question is then read and she repeats by a paid professional Public Relations person. Having lived through what happened with the arena she is afraid that they are undergoing a fiasco at least in the sense that they are not allowing the citizens of Allentown to voice their opinions. She stated that she commended those that came out tonight and hope they will continue to come because she needs to hear your voices and she is certain that her six other colleagues need to hear your voices.

Mr. Julio Guridy stated that he would like to give an opportunity to other people because Mr. Poresky already spoke.

Mr. Dan Poresky stated that the mayor told him that you will not get an opportunity to vote on the contract and you will not get an opportunity to vote on the contract. You will only get an opportunity to vote on the RFP. The final negotiations are out of your hands once you approve the RFP all the negotiations and even the choosing of the final company is not in your hands.

Mr. Julio Guridy stated that he does not think that is correct. He will leave it as that because he does not want to get into an argument of what he said and what she said.

Mr. Michael Sinclair, Salisbury Township, stated that what happens in Allentown affects all of us. He stated that he knows some of them, Mr. Schlossberg have done your research into the matters, but have you as a

group hired an outside expert, consultant to look into this. This is such a big deal that they need that information.

Mr. Guridy stated that they do have a consultant that they hired. They have a finance consultant and they also hired a consultant that is going to the meeting to decipher things that are going on. They can meet with that person as well. There are other opinions here.

Ms. Eichenwald stated to Mr. Guridy that the City Council hired a water expert. We have not hired our own financial consultant.

Mr. Schlossberg stated that is incorrect, we have a financial consultant that is on retainer that has been advising us on this process.

Ms. Eichenwald stated that he is also the same one that the city is using.

Mr. Schlossberg stated no he is not.

Ms. Eichenwald asked who is ours.

Mr. Schlossberg stated that ours is Scott Shearer.

Ms. Eichenwald asked and the mayor's.

Mr. O'Connell stated Tim, but he is still with PFM.

Ms. Eichenwald stated that it is the same firm.

Mr. Guridy stated that they are the expert in this field.

Ms. Eichenwald stated that she wants to point out it's the same firm.

Mr. Guridy stated that just so the public know that they have had Scott Shearer advising them for several years on many issues including when they float bonds and other things. He has been our consultant for quite some time.

Mr. Sam Bernhardt, Pennsylvania Organizer – Food and Water Watch which is a national consumer advocacy group, stated that their interest in Allentown perspective privatization deal is as a consumer advocacy organization. They look out for consumers wherever there water or food or other public resources are threatened in safety, in access, or in affordability. Privatization threatens on all three of these grounds for consumers. Our research shows that nationally privatization increases water rates in average 15 percent per year for consumers around the country. The other trend that they see is that by definition these privatization deals take power away from local elected officials and put in the hands of nationally run corporations or in many cases internationally run corporations. As City Council members and as elected officials, you know the value of having consumers having constituents being able to come to you when problems arise and this deal will take it out of your hands. On those two grounds, they oppose privatization at large. He stated that their analysis on the rate increases leads these deals to be backdoor loans where cities facing struggling times will look for a cash infusion which essentially with these rate increases put the financial burden on consumers. In the case of Allentown, what the mayor has said is that this will avoid the more catastrophe options of tax increases. Certainly, Allentown has had poor financial misgivings in the past, but that is no excuse for financial misgivings in the present and in the future. This

deal will certainly constitute both of those financial misgivings in the future and in the present. Their analysis of water privatization deals in the Pennsylvania area shows an average rate increase of 10 percent per year. That's compared to Allentown's rate of five percent per year under public operation. The mayor said there is no alternative to this deal. As has been pointed out there has been no independent analysis done to look at whether there are other options available for the city. It just points out there is a conflict of interest between the mayor's financial consultant and the City Council's financial consultant. He stated that he was privy to the Facebook interchange between Mr. Bevan and the Mayor that was mentioned earlier and the Mayor mentioned that his consultants to be a water consultant, a P3 consultant and the fact that the mayor is hiring a privatization consultant that comes back to the mayor and says privatization is the best way for the city to solve its financial woes just seems like there is some circuitry there. They asked that certainly those corporations that have expressed and would respond to the RFQ that be released on Thursday when the RFQ bids are due. Let the public know who could be running the city water and sewer system for the next fifty years.

Mr. Robert Trotner, former resident of Allentown and now lives in Bethlehem, stated that Sam asked him to come today and he is happy to come. He is here representing the coffee party which is a national issue oriented nonpartisan community organization for good government. They have 50 members locally. If you are paying someone \$100 million it is not a no-strings proposition. They expect to get \$100 million or maybe \$10 million. He heard that Mr. Schweyer said that this won't increase rates.

Mr. Schweyer stated that he did not say anything about this.

Mr. Guridy stated that he was talking about the meters.

Mr. Trotner stated that it seems to him that if the mayor is paying one firm to give him that he wants a private firm advocating privatization and City Council is paying the same firm to give independent information it seems like it is a conflict of interest and something smells with the whole deal. If the rates increase which obviously they will increase because the corporation is going to sell it to other organization and that is going to make a water shortage so it's going to cost more money or they just decide to increase rates because there is nobody to tell not to. It amounts to a tax on citizens and if you want to tax citizens you might as well increase the cost of water. It is the same thing. If you increase the cost of water ten percent every year and put a tax on people to pay for that water and sewer that's the same thing as hiring a firm and paying them \$100 million because you are going to get \$100 million at the end of fifty years. It is a tax, no matter who assesses it.

Mr. Guridy stated that it is not the water they have a problem with, it is the unfunded pension liability and we cannot use the water fund to pay for the unfunded pension liabilities.

Mr. Trotner asked if he is being clear that it is a tax no matter who. The only alternative is to float a municipal bond.

Mr. Schweyer stated full disclosure. His father was a city worker for thirty -three years for the City of Allentown, retired and the only time he did not work for the city was when he was in service in Vietnam. Twenty-five give or take of those years worked in the water department and never in those years in a managerial role. He is being asked to privatize his father's job. He stated that Mr. Dougherty has heard this on more than one occasion. There are three issues here. There is an issue of pending financial crisis and how can we best mitigate it. If the best way to deal with the impending financial crisis is to privatize the water and sewer how do we do so that we get to it in a manner that deals with all the issues you just raised. He assured Mr. Trotner that every member of Council has brought up every one of those issues. He will also assure him that he is not satisfied with the answers that he got. He does not know if any member of

Council has gotten those answers. If this is the only option to get out of the looming pension crisis. One of the major differences between Allentown and say Scranton or Harrisburg is that we have this asset. This is our winning Powerball ticket; at least this is how it is being presented to us. Unless we are going to take a whole municipal collection to buy a bunch of Powerball ticket which he thinks that it would assure certain electoral response, is now the time to cash it in? The difference between us, and Scranton and Harrisburg and municipalities that are really struggling far worse than Allentown is and you need to look at Bethlehem with their debt to value ratio. Is now the time to use this and if now is the time to use it, how can we guarantee or best mitigate that a future mayor, a future council, a future solicitor, don't create yet another financial crisis that may or may not be worse than this one. We cannot get caught up in on focusing on we really need to do it because of this. There are four different things they have to consider, the public, the administration and council. We were promised that these public sessions were not supposed to be setup up as a sales job. It was supposed to be a free-flowing source information between the public and elected officials. He admitted that he has not been to the first two meetings because of family issues. He will be at the next two including tomorrow night at Lehigh Valley Hospital on the south side. He would absolutely love a Council hearing so that they can explore more than just courtesy of the floor. He expects that would be under Budget and Finance or Public Works. That is the only way that Council can guarantee that they are hearing from the public because as Ms. Eichenwald has attested to it simply has not happened at the public hearing. It cannot be presented as a done deal because Council has not voted yes or anything.

Mr. Guridy stated that Mr. Schweyer is correct and will reserve comments for later.

Mr. Schlossberg stated that he thinks he miss-heard Mr. Schweyer. Did you say that you want to have a public hearing on this?

Mr. Schweyer stated that if they are not getting them at the regularly scheduled meeting that is being run by the administration then Council needs to take it in our own hands and have one for the public.

Mr. Schlossberg stated that they set up a meeting that they do nothing but listen. He stated let's try to do that after the contracts have been released to the public.

Mr. Schweyer stated that they could talk about it internally.

Mr. Schlossberg stated that they should do it with Mr. Guridy presiding.

Mr. Guridy stated that the process is a little premature to do a meeting. He thinks the intention is that they will have a public meeting when they are ready to. At this point is what they discussed in the past as he understands it that the mayor is going to go out there with his people and present the plan to the people. He went to the first meeting and he could not go to the last meeting and he intends to go to tomorrow's meeting. To some extent Ms. Eichenwald is correct that the presentation is being done by the mayor and the question being read by somebody. He thinks it was a staff person.

Ms. Eichenwald stated that it was a paid public relations person.

Mr. Guridy stated that he found himself in a very uncomfortable position when people in the audience came over and just started letting him have it and giving him all this information and telling him things because they wanted someone to hear them and no one gave them a chance to be heard at that meeting because there were questions written down and read by somebody else. He did not have all the answers, obviously and he thinks that he spent an extra half hour or 40 minutes answering questions that he knew and asking people to continue to ask those questions to the administration. It would behoove Council to follow that

process at our meeting, listening and giving people to express their sentiment. He does not believe they are at that point.

Ms. Eichenwald stated that she disagrees with one thing. They are at that point now. She thinks that they have to continue. She heard more tonight and certainly heard more tonight than in the four hours that she spent at the public presentations. She is also concerned that after another two sessions in the format that is allowed to continue that our citizens will say what's the use. Hopefully, when we do allow them, we have to make it perfectly clear when we invite people to give us their opinion that we will listen to what they have to say. If she was a citizen and took the time and gone to one of these meetings and was not given the opportunity to say one word how am I going to feel. We are not just drawing our way to a neutral point, but we are getting into negative territory as far as citizens responses. She has to offer the community that we represent as soon as possible an opportunity as we had this evening to tell us how we feel about this important vital issue.

Mr. Guridy stated that the reason why he said that they are not at that point yet is that they still do not have all of the answers. The meetings are still on-going. He does not want to go out there and start confusing people. He would like the administration to finish their hearings, meetings or presentations before we start ours. We give people an opportunity as we did today to express their sentiments during courtesy of the floor. This courtesy of the floor has turned into something different from courtesy of the floor and he does not think it is the appropriate time yet to do the kind of one, two, three or four hours meeting that you want to have. Today is a Council meeting and this is courtesy of the floor and people have three minutes to five minutes to speak and these are our rules.

Mr. O'Connell stated that we are all in agreement to have a public meeting to take input from the public. That should not be scheduled the same night we are asked to make a possible vote. He is in agreement with Mr. Guridy that they have tomorrow the 16<sup>th</sup> and the 23<sup>rd</sup>, but very shortly after that they need to have a public forum with City Council and listen to the people. Obviously, the adversarial people will come out and he respects that and maybe some pro people will come out and we will hear pros and cons on both situations. There is a lot of information that has to be gathered. He is at the initial stages and there is a lot of reading. We have to do it as timely as possible, but they have to wait to see how the process plays out. We should not be rushed to make a decision. It is our decision and whatever it takes time wise we need to hear everybody that has a concern on leasing the water and sewer department.

Mr. Schweyer stated that realistically, let's be honest as much as he would love to be able to have the meeting Friday, it's not going to happen there are two more public meetings for informational sessions in the next eight days and the next one is at Sacred Heart Hospital and parking will be provided. There is an agreement that they are going to have this and that is a good thing. He thinks what should be made clear is what Council is looking for in all of this. Try to keep it narrow based on the fact that they are very easily confusing issues. If we are having a public hearing on privatization of water and sewer as a solution to a problem which is what we are talking about here and perhaps another conversation about what are the other alternatives. These are two different issues. If we are having one on privatization then our responsibility is to be the sounding board for the public and as Mr. Schlossberg said we will not engage in arguing with folks, but we take their concerns and make sure that their concerns are addressed in the final contract or discussions. Doing it sooner rather than later ensures us that when we talk about concerns about employees which everyone knows that it is near and dear to my heart and concerns about water quality and that's why we hired a water quality expert. We could build it into the negotiations before there is a yes or no vote. He is not criticizing the administration. They are doing what they are doing. It is up to us to do what we have to do for the same people that are voting for us and voting for the mayor. He hopes that they can frame the conversation about the privatization as a discussion on what the concerns on the water and sewer privatization with a possibility of having a conversation about what the other alternatives



are. He wants to make sure that they are clear on what they are doing so when they are there to talk about what the options are somebody is not saying what about this that has nothing to do with it.

Mr. Guridy stated that he agrees. You said it perfectly and exactly what he is thinking of.

Ms. Cynthia Mota asked if they could get together and talk about this as to when is the date they will have a public meeting.

Mr. Guridy stated that he will let her know when they can schedule one. The consensus is that they will do it after the administration finishes their meetings and then we will find a date and invite people to this meeting. He is trying to follow the rules of Council. You have an opportunity to speak once on an issue under courtesy of the floor. You get three minutes for an individual and five minutes if you are representing an organization. This is not the meeting that we want to have with you eventually on this issue. This is a Council meeting and we have other issues on the agenda. This is not just about water, sewer lease or sell or however you want to frame it. Sir, if you have a short clarification he would allow that.

Mr. Trotner asked if this public meeting be before the RFQ.

Mr. Guridy stated that the RFQ came out already. Are you talking about the RFP? He will try to schedule a meeting with Mr. Hanlon as soon as possible. He will poll everybody so they will have as many Council people there. He will be on vacation next week and it has been scheduled for a long time. Next week is not going to happen, but they can schedule one as soon as possible.

#### **5. Approval of Minutes:**

None

#### **6. Old Business:**

Mr. Schweyer thanked Mr. Young stating that the pothole he asked about at Liberator and Jefferson is filled.

#### **7. Communications**

Mr. Guridy stated that City Council held an executive session on August 8, 2012 at 5:00 PM and the subject matter was the water and sewer lease. There will be two public hearings and one will be on September 5, 2012 at 6:30 PM in Council Chambers, 435 Hamilton Street, Allentown, PA 18101. The purpose of the public hearing is to take public testimony on Bill 46 which amends the Zoning Map by Rezoning a Parcel at 2811 West Emaus Avenue from a Limited Industrial (I-2) District to a Highway Business (B-3) District. Allentown City Council will conduct a Public Hearing at 6:45 PM in Council Chambers, 435 Hamilton Street, Allentown, PA 18101. The purpose of the public hearing is to take public testimony on Bill 45 which amends the Zoning Code by rezoning a 16 acre tract located at 301-359 River Drive in East Allentown from Medium Density Residential-Planned (R-MP) to Medium High Density Residential (R-MH) District.

#### **8. REPORTS FROM COMMITTEES:**

Budget and Finance: Chairperson Schlossberg

The committee has not met since the last council meeting; the next meeting is scheduled for the second to the last week of August.

Ms. Eichenwald stated that soon the budget season will be upon us and her question is predicated on the fact of how Council establishes the budget. It has become apparent to her that the administration has spent thousands of dollars on legal advice and on financial advice and she does not want to reopen the discussion on privatization when it really has to do with the budget. On what budgetary principle is the

mayor allowed or does he have the authority to spend all of this money. At every meeting there are consultants and Council has met with consultants and there have been as many as six in the room. She stated that this is a question for Mr. Schlossberg as the budget and finance chair. Is that information is available on how much money is spent on legal and financial advice.

Mr. Schlossberg stated that they are allowed to spend as long as they do not exceed their appropriation from the various line items. He knows that one of the comments that were made for consultants and not privatization is under the line 44 and 46, professional services and consulting fees. As for whether or not Council is allowed that information he would expect the administration to provide it to us and he would react very negatively if that information was not provided to members of council upon request. You can almost certainly submit a right to know request to get that information. If you as a councilperson have to submit a right to know information there is something seriously wrong.

Ms. Eichenwald stated that she makes the request and would like to know from what line items all the legal and financial advisers have been paid and does that number exceed what has been budgeted and what is the final number up until now.

Mr. Schlossberg stated to Mr. Dougherty that this was not made to you before, but this is not the first time.

Mr. Fran Dougherty stated that he will check with the finance director.

Ms. Eichenwald stated that this is the third time they made this request.

Mr. Schlossberg stated that he believes that, but if it came through Mr. Dougherty it would be in front of Council right now.

Mr. Guridy stated that the time they asked about it was at an executive session.

Mr. O'Connell stated at the last meeting they asked for it from the director of finance.

Mr. Guridy stated that he does not believe Ms. Eichenwald attended the meeting.

Mr. Schlossberg stated that no, there was one that she did actually make the request.

#### Public Safety: Chairperson Eichenwald

The committee met this evening and has several items on the agenda.

#### Community and Economic Development: Chairperson Schweyer

The Committee met on August 8<sup>th</sup>, and forwarded an item on tonight's agenda as well as the two rezonings that are scheduled for a public hearing and final passage on September 5<sup>th</sup>; a future meeting is tentatively scheduled for September 12<sup>th</sup>.

#### Parks and Recreation: Chairperson Mota

The Committee has not met since the last Council meeting; the next meeting is scheduled for August 22<sup>nd</sup> at 5:45 PM at Steven's Park.

#### Public Works: Chairperson O'Connell

The Committee met on August 8<sup>th</sup> at 6:30 PM and has two items on the agenda for tonight; the next meeting will be September 12<sup>th</sup> time to be determined.

Human Resources, Administration and Appointments: Chairperson Davis

The Committee has not met since the last council meeting; a future meeting has not yet been scheduled.

Rules, Chambers, Intergovernmental Relations and Strategy: Chairperson Guridy

The Committee has not met since the last Council meeting; a future meeting has not yet been scheduled.

**OTHER COMMITTEE REPORTS**

Mr. Schlossberg stated that the Pension Board had its meeting on yesterday. The Pension Board decided to switch from of its funding around and invest in a new mutual fund. The board did continue to retain Pierce Park and Associates to do the overall consulting to continue to consult for the Pension Board. There were also some decisions made to alter the salary and actuarial table assumptions going forward for our Pension Board. Our overall unfunded liability and pension rates determined by actuarial tables and certain salary assumptions there were tweaks to that formula.

Ms. Mary Ellen Koval stated that it is still in a draft form and they will be coming back to the Pension Board by September.

Mr. Guridy asked Mr. Schlossberg will he be brining Council that information at that time.

Mr. Schlossberg stated yes.

Mr. Guridy stated that next week there is an Allentown Housing Authority Committee meeting. He will not be in attendance, but Council will get the minutes sent to them. Council serves on other committees outside the standing committees and that is what they are talking about.

**Controller's Report**

Ms. Mary Ellen Koval stated that she will be working with Mr. Dougherty to get the information Council was asking for on the consultants.

**Managing Director's Report**

Mr. Fran Dougherty stated that in the interest of their collective time management there will be no managing director's report.

**9. APPOINTMENTS:**

None

**10. ORDINANCES FOR FINAL PASSAGE:**

**Bill 38 Lazy Double Parkers Bill**

Amending Article 531.99 NOTICE OF VIOLATION; WAIVER, relating to the penalties and fines for double parking by establishing an additional \$100 penalty for lazy parkers – operators of double-parked vehicles that are within 10 feet of an open public space and establishing escalating fines for repeat double-parking offenders.

Ms. Eichenwald stated that this was passed favorably by a vote of 3 – 0, but they do have an amendment and if you look a couple of pages into the notes that we had, you will see the extent of the bill under the Lazy Double Parkers provision. It originally stated that if 2 . If the violator of Section 531 J, is within ten feet of an available parking space, an additional \$100 shall be added to the penalty. They would like to recommend an amendment that within ten feet be changed to an adjacent spot. The reason for that as

brought to us by Ms. Dolan who is in charge of the Allentown Parking Authority found that it was dangerous for her officers to leave their vehicle and go out and measure the ten feet. In each one of these vehicles that are double parked there is most likely a driver and that is very different.

Mr. Schweyer seconded the motion.

The motion was passed by Common Consent.

Mr. Glenn Hunsicker stated that he sees a lot of double parkers and asked what the procedures are and is it going to be enforced.

Ms. Eichenwald stated that in the absence of Ms. Dolan that said it earlier that they can do it by taking a picture. They see the double parking and based on the picture and retrieving the license number a citation can be issued by mail. Of course, you need to have someone there to see the original infraction. Ms. Dolan wants it as another tool and it was Mr. Schweyer's presentation that spurred the discussion as another tool for double parking.

Mr. Gurdy stated that would it be the Parking Authority or can the police enforce it.

Mr. Schweyer stated both.

**Ordinance passed, 7 – 0**

**Bill 41 Ordinance Fire Premium Pay**

Amending the 2012 General Fund Budget to provide for a supplemental appropriation of Nine Thousand Seven Hundred Fifty Dollars (\$9,750) from the Federal Emergency Management Agency, Department of Homeland Security.

Ms. Eichenwald stated that this was recommended favorably by a vote of 3 – 0. This is a supplemental appropriation from FEMA.

**Ordinance passed, 7 – 0**

**Bill 42 UGI Donation East Side**

Amending the 2012 General Fund Budget to provide for a supplemental appropriation of Three Thousand Five Hundred Dollars (\$3,500) as the result of a donation made by UGI, Inc. to the Allentown Fire Department.

Ms. Eichenwald stated that this was recommended favorably by a vote of 3 – 0.

**Ordinance passed, 7 – 0**

**Bill 43 EMS Ordinance Iron Pigs**

Amending the 2012 General Fund Budget to provide for a supplemental appropriation of Sixteen Thousand One Hundred Twenty-Two Dollars and Fifty-Nine Cents (\$16,122.59) from the Commonwealth of Pennsylvania and the Lehigh Valley Iron Pigs baseball franchise for the purpose of covering the cost associated with providing on-scene emergency medical services (EMS) staffing, normally two (2) Paramedics, at every home game played and at concert events during the 2012 season. \$6,265.00 + \$7,183.75 for a total of \$13,448.75; and as a result of a payment from the Commonwealth of Pennsylvania

for reimbursement of cost associated with the deployment of the EMS Strike team for a total of \$2,673.84. The total is \$16,122.59.

Ms. Eichenwald stated that it was recommended favorably by a vote of 3 – 0. This was an appropriation from the Iron Pigs.

**Ordinance passed, 7 – 0**

**Bill 47 Consultant Selection**

Amends Article 130.16, Financial Procedures; Contracts, Subsection F, entitled “Policy and Procedures for Engineering Consultants for State and Federally Funded Projects” of the City’s Administrative Code to adopt the consultant selection process defined by PennDOT regulation for state and federally funded projects to ensure compliance with funding agencies’ requirements. The adoption of the consultant selection process is necessary to receive state and federal funding reimbursement for professional services fees incurred by the selected consultants.

Mr. O’Connell stated that this was discussed last week and it was recommended favorably. This is to clarify the process and protocol to receive state and federal money for projects that will occur by the selected consultants.

**Ordinance passed, 7 – 0**

**Bill 48 Lead Grant Ordinance**

Amending the 2012 General Fund Budget to provide for a supplemental appropriation of Twenty-Seven Thousand Seven Hundred Ninety-Four Dollars and Fifty-Five Cents (\$27,794.55) from the PA Department of Health Lead Hazard Control Programs to the City of Allentown, Department of Community and Economic Development, Bureau of Building Standards and Safety’s Program Budget. The funding will be utilized for the inspection and treatment of lead-based paint hazards in housing units that are not federally owned, federally assisted, or public housing according to certain criteria.

Mr. Schweyer stated that it was recommended favorably by a vote of 3 – 0.

**Ordinance passed, 7 – 0**

**11. ORDINANCES FOR INTRODUCTION:**

None

**12. CONSENT AGENDA:**

**CA-1** Certificates of Appropriateness for work in the Historic Districts

**Resolution passed, 7 – 0**

**13. RESOLUTIONS ON SECOND READING:**

**R38** Encroachment Request for basement door at 339 N 7th Street

Mr. O’Connell stated that 339 N 7<sup>th</sup> Street has a resident flat cellar door that goes down to the basement and they want a more conventional cellar door with concrete on the side and steel doors. He stated that he

went to look at it and it stays within the boundaries of the neighborhood and the individual resident did not show up and there were no objections to it. It was recommended favorably before this committee.

**Resolution passed, 7 – 0**

**R41** DUI Grant Application

Ms. Eichenwald stated that this was recommended favorably by a vote of 3 – 0.

**Resolution passed, 7 – 0**

**14. RESOLUTIONS ON FIRST READING:**

Mr. Schweyer asked if Council could suspend the rules and introduce R42 which is a resolution honoring the life of Kathryn Stephanoff.

Mr. Guridy suspended the rules.

Mr. Schweyer stated that he will introduce R42 and as Mr. Davis mentioned in his invocation this evening, just the other day Kathryn Stephanoff who worked for the Allentown Public Library and was executive director of it for years and served on the Trexler Trust recently passed away. If the public and his colleagues would just give him a moment he would like to read the Resolution that they worked on. She was a tremendous woman and a pillar of our society and quite frankly generations of Allentown's kids will never know her name, but lives will be enriched by her presence and he knows that is a sentiment that is shared by many.

***Resolved by the Council of the City of Allentown, That***

**WHEREAS**, Kathryn Stephanoff served as a leader of the Allentown Public Library for more than 40 years; and

**WHEREAS**, Her leadership, advocacy and influence helped make the Allentown Public Library one of the greatest libraries in the Commonwealth of Pennsylvania; and

**WHEREAS**, The Allentown Public Library is one of the cornerstones of education and a beacon of literacy in the City of Allentown and therefore one of our most important assets; and

**WHEREAS**, For her tireless advocacy and effective leadership, she was awarded the Distinguished Service Award by the Pennsylvania Library Association in 1989; and

**WHEREAS**, Ms. Stephanoff was appointed as the first female Trustee of the Trexler Trust in 1985, a post that she held for more than 2 decades; and

**WHEREAS**, the city was uplifted by her class, decorum and exceptional standards for decades;

**WHEREAS**, Ms. Stephanoff always conducted herself in the highest manner and encouraged all visitors to the Allentown Public Library, regardless of their background, to display the same courtesy and manners; and

**WHEREAS**, Ms. Stephanoff was a person who's commitment to the City of Allentown and its residents will be felt for generations to come; now

**THEREFORE, BE IT RESOLVED** that the Council of the City of Allentown, honor Kathryn Stephanoff with this Resolution acknowledging her life, accomplishments and commitment to the City of Allentown, its residents and in particular the Allentown Public Library, and

**BE IT FURTHER RESOLVED that** this resolution be presented to her family, one presented to the Allentown Public Library and a copy kept in the City Clerk's archives.

Humbly Submitted on this Wednesday, August 15, 2012.

Ms. Eichenwald proposed to Council that they could add to the beautifully written Resolution that Ms. Stephanoff was also chosen by Allentown School District to develop a plan that make sure that Empowerment ended. Not only did she bequeath all of her intelligence to the library, but to the school district as well.

Mr. Guridy stated that it was a very well written Resolution and he feels the same way. He stated of us who knew Kathryn Stephanoff and worked with her on committees or any other way feels the same way and is saddened by her passing.

Mr. Dennis Pearson stated that Kathryn Stephanoff did a lot of things, but from the east side standpoint they are still hurting on the closing of the east side branch of the public library.

Mr. Schweyer stated that he would acknowledge that perhaps the last several governors of Pennsylvania gutting library funding are probably more responsible for that or the fact that the City of Allentown provides zero financial resources to the Allentown Public Library as opposed to her commitment.

**Resolution passed, 7 – 0**

## **15. NEW BUSINESS**

### **16. GOOD AND WELFARE**

Mr. O'Connell stated that last week's Olympics the silver medalist in the bicycling was a Central Catholic High School graduate. She now lives in North Carolina, but did attend Central Catholic High School.

### **17. ADJOURNED: 8:17 PM**

*Council meetings are held on the first and third Wednesday of each month beginning at 7:00 pm in Council Chambers. For copies of the agenda or meeting announcements, please visit our website at [www.allentownpa.gov](http://www.allentownpa.gov) or contact the Clerk at [Michael.Hanlon@allentownpa.gov](mailto:Michael.Hanlon@allentownpa.gov) to receive an email notice of the meetings.*