

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



Allentown City Council
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SPECIAL COUNCIL MEETING MINUTES
Budget Review Public Works
Bills 54, 55, 56, 57, 58, 59, 60, 64, 65, 66
November 21, 2013 – 6:00 PM
COUNCIL CHAMBERS
435 Hamilton Street, Allentown, Pa.

Roll Call: Davis, Eichenwald, Guridy, Glazier, Mota, Schweyer

Public Works

Administration
Office of Compliance
Design Permits and Inspections
Fleet Service and Repair
Building Maintenance
Streets
 Maintenance
 Stormwater
Traffic Planning and Control
Street Lighting

Solid Waste

Collection/Disposal/Recycling
Sweep Program
Street Cleaning
Animal Control

Liquid Fuels

Equipment Fund

Mr. Guridy stated that they will start the meeting on Public Works with Solid Waste and Liquid Fuels.

Mr. Davis stated that Ray O'Connell, Chair, will not be here tonight.

Mr. Rich Young stated that you will see in this budget some consolidation of items that had previously been water and sewer funds that have been moved to the General Fund. With the Compliance office, we compared 2013 with the budget of 2014. It may look like a large jump, but the 2013 is from August on and not a full year expenses.

Mr. Davis stated that they will go through the different departments and at the end, get public comments.

Mr. Young stated in the Director's Position this will be Program 000-03-0701-0001 on Page 67. The first page is a list of positions. No change from the 2013 budget and on page 68 the 2014 the various categories with no significant change over the 2013 A&E. You will see the difference in salary and the appropriated benefits. The bulk of the other is the same or less of the 2013 A&E.

Mr. Schweyer stated to Mr. Young that he is trying to do some math. In years past part of your salary and the deputy's salary was part of water and sewer. You have .4 and .5 in the General Fund and Solid Waste was another portion. Where is the rest of your salary?

Mr. Young stated the Compliance Office. In the Director's office not a whole lot of change. As you know that this is a brand new office. We believe it to be an accurate estimate on how the expenses are going to be. Being the first year, I hope it is accurate. I believe we have enough to do it, but it is an estimate. We don't have a history to base it on.

Mr. Davis asked if it is after August 8th.

Mr. Young stated it is from August 7th on. 2014 will be a full year.

Mr. Davis stated that it accounts for the salary jump ups.

Mr. Guridy asked if it is two equal positions of Compliance Auditors. The pay scale is the same.

Mr. Young stated yes, two equal positions. I don't know off-hand if their salaries are equal. One is slightly higher than the other because of longevity with the city, but they are close. The pay scale is the same.

Mr. Davis asked were there any questions on Compliance.

Mr. Young stated that what you see for the 2013 those are the A&E's for August on. Expenses prior to this would have been in the Water and Sewer Funds. These positions were paid out of water and sewer and now moved into the General Fund.

Mr. Glazier asked about Design Permits and Inspections. He stated that he has some questions on the details. On 46 Engineering Consultants can you tell us what conditions a department will go to an outside consultant?

Mr. Young stated that if don't have the expertise in a particular area. One area might be Geotech. We don't have any Geotechnical Engineers or Structures.

Mr. Glazier asked would you do an RFP for that or an RFQ.

Mr. Young stated that it depends on the level of effort needed. In most cases, \$10,000 is an RFQ and we would select on qualifications.

Mr. Glazier stated that the first two items are engineering consultants and engineering consultants for surveys for a total of \$65,000. In the past have you used all of that or just a placeholder and you will only use a portion.

Mr. Young stated that the survey consultants we have used. Most of the survey consultants we would use for individual items. If our survey staff is backed up we do have an open end contract with a surveying firm that we could go to for supplemental.

Mr. Glazier asked about the plotters or the wheelies and if it is a lease. Do you think you will get your money worth out of it? Do you want to own it?

Mr. Young stated that it is a large format plotter that covers up 42 inch wide. He stated that it is a lease. Typically when the lease is up the technology and outdated. They also use the potter to make copies. It is a color plotter.

Mr. Guridy asked when you do you RFP's for consultants and one of the things I talked about in the past getting a MB, WB, SB program as a sub-consultant. Do we have a program?

Ms. Koval stated that when we do bids, all of our bids have a component for sub-contractors that require the contractor if they are using subs to reach out to MBs, WBs and there is a form that they must fill out that is attached to the bid. When it comes back, if that form is not completed then that bid is not responsive.

Mr. Guridy asked what is the goal.

Ms. Koval stated that the goal is to reach out to MBs and WBs as sub-contractors. We don't have enough MBs and WBs certified in the area. Sometimes we have to reach out to the Philadelphia area to get certified MBs and WBs.

Mr. Guridy stated that he wants to use it as a Report Card. We can say make your best effort.

Mr. Dougherty stated that we really want to do something in 2014. We have engaged Ken Moore to help us revisit the policy and get best practices.

Mr. Guridy stated that he is working on one himself. If you need models Pennsylvania has one and New Jersey has one. A lot of municipalities have one.

Ms. Koval stated that it was a program that she started when she was in Procurement, but since she is gone from there. I know that they have continued the program.

Mr. Schweyer stated that he was strolling through his emails and it might have been in his personal emails that we sent. You are budgeting for three less employees, are they being reclassified or downsizing the size of the department.

Mr. Young stated that those positions were vacant and eliminated now.

Mr. Schweyer asked were they under water or sewer funds previously.

Mr. Young stated that he doesn't recall.

Ms. Mota asked about 14M on page 72 I noticed that it jumped and it is pretty high from \$73,000 to \$142,000.

Mr. Guridy stated that it was only for a couple of months.

Ms. Mota stated that it wasn't the whole you are saying.

Mr. Schweyer stated that seems like the highest number since 2009 for those positions you have is five and now we are going down from five of those aids to one staff.

Mr. Young stated that he thinks there were two.

Mr. Guridy stated that he only sees one.

Ms. Eichenwald stated the fact that we have those positions empty we contract services.

Mr. Young stated no. Even when we had the five positions filled we were still contracting services.

Ms. Eichenwald asked would that problem on Allen Street be expedited if we had more techs housed.

Mr. Young stated no. That would be a sample project that we would contract out.

Mr. Guridy stated that you have to contract out for a lot of different things. I am assuming that it is difficult to keep every expertise in house.

Ms. Eichenwald stated that sometimes it is a matter of economics. It is more economical to have a staff person.

Mr. Guridy stated that if it pays \$40,000 for these guys to do one job and out, you saves money.

Ms. Eichenwald stated not always.

Mr. Guridy stated that for Geotech type of things, people contract that out.

Mr. Young stated even the civil consultants would contract that out.

Mr. Davis stated that they will move over to page 74, Fleet Service and Repair.

Mr. Messinger stated a couple things you will notice for the Fleet Service there is a contract for G4S and that number is down. Unfortunate we were down 10 percent of our entire Fleet which I could have opened the contract with to negotiate a larger decrease in the contract. A number with the contract was 600 and we would reach 10 percent with our final Fleet number of 540. Our final fleet count will be 555. I was able to negotiate a \$50,000 reduction in it. No CPI Index this year and a guarantee of no more than a two percent CPI Index for next year's contract for 2015. Fuel is up a little bit and we did reduce the amount of gallons that we use for fuel, but with the water and sewer department. It is now in the General Fund.

Mr. Glazier asked if the fuel goes out to bid on a yearly basis. Is there a limit on the amount of gallons you can purchase?

Mr. Messinger stated that they use the Lehigh County Co-Op. Every time they do the contract we do an estimate on what we will be using. We are not held to that number. They go with a government contract. With that amount we have to order that a year prior. We order five thousand tons so we have to buy at least 3,000/60 percent of it and we have to buy 140 percent of it. There is a limit at the bottom end and the top.

Mr. Guridy asked if that is where you buy the salt as well, plus the state. Some municipalities get out of the state contract because depending what it is they may find it cheaper.

Mr. Messinger stated that is a different contract. With our contract we are paying about \$65 a ton.

Mr. Guridy asked the material that you used last year.

Mr. Messinger anti-skid, all storms are different. The price per ton is \$10 a ton.

Mr. Schweyer asked how much longer is our contract.

Mr. Messinger stated this year and three years with an extension.

Mr. Schweyer asked is anyone from G4S here. When did they change their name? This is the third name change in three years. How much longer is our contract? He asked is it a three one - year extension or a three year extension.

Mr. Messinger stated three year extension with yearly. One of the personnel that use the fire trucks learned how to change the programming on the ladder. All ladders have to be inspected once a year. The pitch on the ladder was wrong.

Mr. Guridy asked the total contract. Is it \$2,039,000 or do you add \$20,000.

Mr. Messinger stated there is other funding there. We have to take care of the pumps and the tanks. There are inspections that need to be done on a periodic basis. We have to get a company to come in. If there are any repairs that need to be made or piping we budget \$10,000 to take care of those costs.

Mr. Davis asked were there any other questions. We will move on to maintenance.

Mr. Guridy stated that it is \$40,000.

Mr. Messinger stated that it is non-target cost. If we have a vehicle that blows a tire or hits a curb and is non-maintenance it is a non-target cost.

Mr. Guridy stated that you have emergency snow overtime.

Mr. Davis asked were there any other questions. We will move to Building Maintenance.

Mr. Messinger stated Building Maintenance will be some minor ups and downs per budgets. Some might be for contracts for pest control. Contracts we have now one thing we had to add was for the elevators that were installed a few years ago. For 2013 – 2014 we did lower the electricity \$30,000. If you look at the actual and estimated it is a \$270,000 range. We did have a mild winter. This summer was a cool summer.

Mr. Davis asked about page 77 those five positions, tradesman.

Mr. stated through the grievance procedure and a file for an upgrade. It was found to be that they should have had an upgrade. We put them from a 13 to a 15 and adjusted that in the budget.

Mr. Davis stated page 81 street maintenance.

Mr. Messinger stated that as far is street maintenance some of the items and the actual 54 account he believes there was \$290,000 actually put back in for materials for paving. We were able to restore the funding that was necessary. Part of the reason is that we would get some funding from water and sewer

that wouldn't be there. There are two Maintenance Worker II that were deleted. There were two positions that were open since June 2010.

Mr. Schweyer stated that three were deleted and one was added up to another position. You had an increase of an equipment operator.

Mr. Glazier asked what is the difference between Public Works, Street Maintenance, and Liquid Fuels Maintenance and Resurfacing Maintenance.

Mr. Messinger stated that they pretty much mirror themselves. The funding we get from Liquid Fuels pays for items more on the maintenance end. We can purchase maintenance equipment. We are going to be doing a maintenance spraying asphalt over top of alleys. Liquid Fuels is a little bit more regulated.

Mr. Young stated that the state does come on an annual basis to make sure we are spending as appropriate.

Mr. Davis asked if the snow removal will be discussed under the liquid fuels.

Mr. Messinger stated that all these employees also work with snow removal.

Mr. Davis asked if they could talk about the liquid fuels.

Ms. Eichenwald stated that she heard that you mentioned that the classifications were changed due to grievance. Can you explain that a little bit?

Mr. Messinger stated that he will talk on the part of the EO2. There is work we do daily as far as hauling materials. He stated that it might be hauling blacktop to a job or hauling leaves or salt. It is a hauling position. Maintenance Worker II position is a hands on position. Over time our job classes changes with what our needs were. We were continually paying a MWII out of class as an EO2. They file a grievance through the union and then it goes to HR.

Mr. Glazier stated regarding liquid fuels can you tell us how many miles you are planning on resurfacing and paving this year. He stated that he was told that the transportation bill that Harrisburg moved heaven and earth to pass, Allentown will get another \$1.5 million in liquid fuels money.

Mr. Messinger stated that we have about seven miles that we are looking at resurfacing. He stated about \$1.2 million. It supposed to be 60 percent.

Mr. Glazier stated assuming it will come in the next fiscal year, can you give us the department in the city that the city would decide to use that.

Mr. Messinger stated that there are some bridge projects where we need a little bit of rehabbing going on.

Mr. Davis stated that they are predicting a worse winter. Are you taking that into consideration?

Mr. Messinger? stated with snow removal we will have one more meeting with our snow removal management. What we have in there is our employees and what we have and what we can do in house. If we get a 12 – 16 inch from there obviously we snow blowers and equipment and at that point in time we need more truck drivers. I am hoping we have our new second snow blower. We have a bunch of new equipment that is coming into the snow department which is our backbone and extra help.

Mr. Dougherty stated that the theme is we hope for the best, a mild winter, but we prepare for the worse.

Mr. Guridy asked about the snow removal. I know we have to do the biggest alleys first and you choose throughout the year and you don't start removing at the same place all the time. You go one place one time and the next time you will go to another area.

Mr. Messinger stated that the way we take care of it, we are in six snow districts. We have crews go to each of those areas right off the back and take care of the main roads. We can deploy more people in the secondary areas.

Mr. Guridy stated that people complain to him that they never do the alleys and never remove the snow.

Mr. Messinger stated that we do take care of the alleys. We will know if the truck was there with our GPS.

Mr. Dougherty stated that the attack plan for the primary and secondary areas is a sound one. It works. You have seen the white layer of the brine prior to the storm and we have expanded our use of brine.

Mr. Messinger stated that when it comes to snow whether it is in the GPS or not, the guys know what to do and are doing it.

Mr. Guridy stated that is relieving to me because I do get a lot of calls.

Mr. Davis stated that they will go to page 84.

Mr. Messinger stated that obviously the numbers that you are seeing on the sheet are from five months to twelve months. Again, this is something that is new. It was intertwined with water resources in the sewer department. Right now it is a department within itself.

Ms. Eichenwald asked about the premium pay with the big jump.

Mr. Messinger stated that is also from five months to twelve months. It is a lot of money there. When you look at streets and the majority of overtime it might be paving and snow. Unfortunately, every time it rains we have to deploy people.

Mr. Dougherty asked if they could give Gail an update so she doesn't have to spend all night here. I promised her an update.

Mr. Davis stated page 87 – traffic planning in control.

Mr. Messinger stated as far as traffic budget here it is a pretty much a flat budget. They have new lights and upgraded different areas. There is material for doing crosswalks. There is money for barricades, cones and traffic signs.

Mr. Davis stated that the uniforms jumped up.

Mr. Messinger stated that uniforms jumped in a lot of areas. We went for a high-vis for the safety of the employee. There is more cost in that.

Mr. Davis stated page 90, Street Lighting.

Mr. Messinger stated that it is pretty much self-explanatory.

Mr. Schweyer stated that the triangle at Jefferson and S. 12th Street.

Mr. Messinger stated that the pole is ordered. Within the next two months.

Mr. Guridy asked if that was part of the historic. He stated that he gets a lot of calls of street lights. Do you have one person that goes around and checks the street lights. Is that how it works.

Mr. Messinger stated no. That is how it works right now on a Tuesday night someone will go out. It has to be dark enough for the lights to be on. We are working very hard right now to get an RFP out to get all our streetlights LED. We are also looking to have control over them. It will be about 7,000 lights we are going to be working with.

Mr. Glazier asked with the LED's will a bond have to be floated out for or will be able to pay that out of your operating budget.

Mr. Messinger stated that it will be an escrow project. Our savings on electricity will have to pay for the infrastructure so we won't be pulling money out of our own pocket. Our savings will be paying for it over seven or nine years.

Mr. Glazier asked what you expect the savings to be. Will that allow the city to expand the number of street lights, assuming there is a demand for that?

Mr. Messinger stated when our project is done; our savings will be paying for it. He stated probably half or less for the savings. He stated yes, it will.

Mr. Guridy asked was a study done on that.

Mr. Messinger stated that we are actually working with different companies right now. We will take a look at who has the best technology.

Mr. Guridy asked is that what the RFP is for, just for that.

Mr. Dougherty stated that they will have to be RFP'd.

Mr. Davis stated that they are moving on to Solid Waste.

Ms. Ann Saurman stated that regarding the Solid Waste budget a few highlights to point out. There were some personnel changes with portion of the Director of Public Works and Deputy Directors salary and the Operations Manager for the fund. We added one SEIU position with MWII which will be a great asset to us. We also upgraded the Sweep Manager to reflect his added program responsibilities which he took several years ago as the manager of the animal control program. The direction we want to go this year moving the bureau and operations to the Yard Waste Site at Oxford side and the Fish Hatchery Road. We are undergoing it right now internally with city staff doing the engineering layout and having the offices there which will have all of our operations in one location along with the yard waste. We continue to open more hours to the public and that is what we want to do, more ours and more service. Right now the Sweep Program and the Animal Control will remain in the offices at 1400 Martin Luther King, but the rest of us will be consolidating it there. One of the things we offer is electronic recycling twice a month. We received grant money that we found out this year from DEP (section 902) and is a reimbursable grant which we

received a grant funding for a new cardboard bailer with a conveyor belt system. Through that grant we also receive money of 59 percent the cost of a rollout vehicle and help to fund our green and blue bin recycling program. They are looking to do lease to own purchases and one is a paper shredder so that we can provide services for the Allentown Police Department, The Health Bureau and other city departments and other Allentown residents and businesses who offer that service. We continue to continue to increase public space and recycling on our city streets and in our parks. We will be working with John Mikowychok in his staff to increase it at the Golf Course and at the Cedar Beach and other sports activities going on. What we are looking to do in 2014 under the direction of the Director and Deputy Director of Public Works is to really expand services to the city and the citizens of Allentown.

Mr. Guridy stated that you guys do a wonderful job and whenever we have so many events going on in the city and you clean it up so fast, especially with the Color Run.

Ms. Saurman stated that she has to credit the Color Run staff that came in and provided the technology to contain the color.

Mr. Young stated that he is glad that Mr. Guridy said that. Everyone heard me say this before. It is popular today to bash government employees. We have a lot of really good people working for us and they work hard. They know their job and I could not be more proud of them.

Mr. Davis thanked Ms. Saurman of the overview and stated back to page 392. Does anybody have any questions?

Mr. Schweyer stated under the collection, disposal and recycling there are two areas that I would like to chat about. The first is the doggy disposal stations. What a great name to add to the detail sheets. I saw there was a line item in there for that. Are you going to be adding addition stations or is that just consistent maintenance.

Ms. Saurman stated that the Doggy Waste Stations are new. There were two purchased with the Neighborhood Group in the Old Fairgrounds Group found funding. One was at Fifth and Allen and the other one is by the hospital. They had great success on the sidewalk when we were there and people were not curbing their dogs. The stations were right next to our Big Belly Units and they provided that. We have taken the responsibility of emptying those too and when we were on the Mayor's walk in that neighborhood we got into the discussion of this and the mayor would like to put out more of these in problem areas in the downtown area.

Mr. Schweyer stated that he recalls that there are some in the parks as well. How many units will \$10,000 get you?

Ms. Saurman stated 25.

Mr. Schweyer stated that the second issue is graffiti removal issues. I don't know if I can point to a single program that we do in the entire city that is more successful and has such a greater impact on making residents feels good. In this budget, no more Capital needs.

Ms. Saurman stated correct. We have the vehicles and staff to remove it.

Ms. Messinger stated that is something we look at all the time. We looked at a tornado that actually used walnut shells to actually clean it up. It did ok.

Ms. Saurman stated that they have a full arsenal of supplies that we use for different surfaces. We are always testing new products that come out.

Mr. Davis stated that they will move to page 396. He asked about Line 46 on Page 398 is the Waste Management Contract.

Ms. Saurman stated that is the bulk of the contract. We estimate the Waste Management Contract for 2014 will be \$10,387,928. Ninety-Five Percent of The Waste Management Contract is affected by an annual CPI Index which has a cap of four percent and the other five percent of the contract is a fuel cost adjustment at no cap in the contract.

Mr. Davis asked were there any other questions. He went to the Sweep Program on page 400.

Mr. Schweyer asked about the Sweep revenue and how close are we with the A&E. We have placeholders at \$235,000 for 2013 will we be roughly around there. A few years ago we had five Sweep Officers.

Mr. Saurman stated that we are projecting about \$220,000 right now. We have four right now. That was the year we switched over to having a maintenance worker.

Mr. Davis stated that we will move on to Street Planning.

Mr. Glazier stated that he watches the street cleaners go up and down the street and they follow the APA vehicle who depending on the street has nothing to do or stops to ticket a car. When do the revenues come back into the system for those tickets?

Mr. Messinger stated during the winter months we normally did not have a winter street cleaning. We started that program up a few years ago. What happens now is the money once she covers her costs we get the money that goes on top of that. We are looking at \$20,000.

Mr. Glazier asked in the revenue section in the front of the budget book is it under the APA contribution which is this year \$500,000. He asked why is a stone crusher under Street Cleaning.

Mr. Messinger stated Recycling. What we actually do is take materials that are used or brought into the dump area from any department and we get a crusher there to utilize that stone throughout the city.

Mr. Guridy stated about the Detail Sheet and the PROP Conference.

Ms. Saurman stated that PROP is the Professional Recyclers of Pennsylvania. It is recognized statewide agency that promotes recycling and contains municipal members, county recycling coordinators and also private sector haulers, and processors.

Mr. Davis stated that they will move on to Animal Control. He asked what was the number of animals you sent to the ASPCA.

Ms. Saurman stated that there are approximately 2,400 stray animals annually that are taken to the Humane Society.

Ms. Mota asked if Animal Control does anything with raccoons.

Ms. Saurman stated that unfortunately you have to be licensed by the state to trapped wildlife. We work with several trappers that will come out and do that.

Mr. Davis stated that they will move to the Equipment Fund.

Mr. Glazier stated that on Page 385 the Aerial Truck 7th out of 10th payments. We are leasing that truck. Mr. Messinger stated that is the 7th of the 10th payments to purchase it. Normally with Aerial Trucks you are looking at about \$1 million.

Mr. Guridy stated that we bought three in the last ten years.

Mr. Messinger stated that there were two new ones in the last five years.

Mr. Glazier asked if they did the math and is it better to lease it then to bond for it.

Mr. Messinger deferred to finance.

Mr. Dougherty stated that under the circumstances of the last few years that precluded a bond for various reasons that we all know leading to going to the next alternative is a lease/purchase.

Mr. Glazier asked is it a buyout after the 10th payment or after the 10th payment we own it.

Mr. Dougherty stated that we own it.

Mr. Guridy asked if all the vehicles are leased.

Mr. Messinger stated that when you see it in the 30 account it is under rentals and leases.

Ms. Mota asked if it is better to lease than to purchase because you can change the vehicle every so often.

Mr. Messinger stated that he will give a for instance with the department. To buy that equipment outright one time and spend the capital and we don't look to buying another vehicle probably for the next 10 – 15 years and really putting all the capital outlays at one time will not be the right thing to do. We are amortizing our cost through the budgets knowing we are not going to buy any other equipment.

Ms. Mota asked if Mr. Messinger change the equipment every six years.

Mr. Messinger stated no. That is when the equipment will be paid off. Some of the equipment might need to be replaced at 10 or 15 years.

Mr. Glazier stated that he sees most of the payments are two of six. Most of these leases were entered into prior to the current fiscal year when we entered into the water lease.

Mr. Messinger stated yes.

Mr. Davis asked about the Computer Equipment. He moved on to Bill 48 and public comments.

**Review of Bill 48:
Bill 48 Recovery Street Repair Costs**

Amends Part 9, Streets, Utilities and Public Services Codes, by creating uniform standards for street repairs and recovery of costs

Mr. Young stated that we have a number of locations where various utilities most notably UGI does a lot of cuts and for a while they were making repairs on just the one cut they had and they had a lot in a row. This is setting a standard that any utility (UGI and LCA) when they come in and have a lot of cuts in the streets together they will be required depending on location to do a mill and overlay of the entire work area so there will be one blank and not a lot of patches. It is in writing of what those standards will be.

Mr. Dougherty stated that the genesis of this is long overdue. We have received complaints and City Council has heard complaints about work being done on our streets. In the past, we looked at this and sat down with Rich and his people and understood how it worked in the past. It was up to the Public Works Director in his or her discretion. This gets us best practices of institutionalizing those perimeters and criteria. It proposes some uniformity on Rules and Regulations.

Mr. Davis asked if the city will be doing some of the work.

Mr. Dougherty stated that we actually charged both Rich and Craig to engage in discussions with Utilities, specifically UGI.

Mr. Glazier stated that he noticed on page 7 that item 4 that the final paving should not exceed 24 hours. On 11th Street I got a couple of calls saying the street was closed for a few weeks.

Mr. Messinger stated believe me that played a role in it.

Mr. Davis stated if we replace a street, what is the time limit when they come in and start doing the replace before we replace the street. Will that be covered under this Bill?

Mr. Messinger stated that basically right now for an overlay street it is three years. If they are in for more than three years they have to pay degradation fees. For a reconstructed street it is five years.

Mr. Gurdy made a motion to pass this along.

Mr. Schweyer seconded the motion.

Mr. Davis asked if there was any public comment on Bill 48.

Bill 48 passed by common consent.

Mr. Lou Hershman asked about the Solid Waste Fee since we have a pending fund balance of \$6 million. Would you consider cutting the Solid Waste Fee \$375 to \$360? We have an ending fund balance of \$6 million.

Ms. Saurman stated that as you know with the Solid Waste Enterprise Fund which has a rolling opening cash balance and closed balance. Anything that is left over is for next year's projections. The amount we have right now is taking us through towards the end of this contract and allows us to do what we have to do. I would recommend keeping it at 375.

Mr. Hershman asked about the Equipment Fund. We asked when did you act on the Lease Agreement.

Mr. Messinger stated that the 72 Account has the equipment that they are purchases.

Mr. Glazier stated that this has been available for three weeks and I would have thought you would have jumped on it. Most of the leases are second year leases.

Ms. Bowman stated that she is not sure which Bill, but we did have it in the Waster/Sewer Ordinance.

Mr. Hershman stated that in Page 73, Account 46 in the budget there was 400 percent increase.

Mr. Glazier stated that no one missed it. The cost came from other departments and is now in Engineering Design.

Mr. Hershman stated no one questioned how much rent we are paying to Lehigh Valley International Airport for that garage.

Ms. Bowman stated that there is a contract and it goes up and that will be addressed under Nondepartmental under General and Civic.

Mr. Hershman asked about the increases in salaries and reclassifications. Mike told me we used to have reclassification review committee to review all reclassification and upgrades. Is there any way that council can make public the amount of increases each person being reclassified.

Ms. Eichenwald stated it is in the budget.

Ms. Bowman stated that it is in Budget Memo I covers any changes reflected in the 2014 budget.

Mr. Hershman stated that Debbie said she will have the MMO for Tuesday. The Mayor never provided his Five-year Financial Plan.

Mr. Schweyer stated that we discussed briefly the Five-Year Plan yesterday.

Mr. Hershman stated that it should be made Public. He stated that it is an annual Five-Year Plan.

Mr. Dougherty stated that Dean Kaplan is working on the Five and Seven Year Plan. Dean is working on it.

Mr. Hershman stated to Mr. Dougherty that it is an annual Five-year Plan.

Mr. Dougherty stated that you are correct. I think we have gone through this before. This extraordinary financial times that this water and sewer lease has presented. All the financial processes that we had to go through to put the budget together falls on Deb. Are we late with it? There are bonafide reasons why the delay.

Ms. Eichenwald stated that she would like to go back to the Solid Waste issue. Why do you think 2016 or 2017 when a contract is up that we will incur such an increase? What will make that happen if we do a competitive bid?

Ms. Saurman stated that in the five year projection that I did we kept it business as usual with the same percentage increases. We are confident right now to hold it at \$375 through 2016. With it going out to bid we unsure of who we will get as a hauler and we didn't discuss tonight the Delta Thermo Energy. The

collection of that would be the sole contract and delivery to Delta Thermo and the component of the disposal cost will be eliminated. We do pay to Delta Thermo an operating cost. That is all to be factored in and is my task in 2014.

Ms. Eichenwald stated that you are telling me when Delta Thermo takes over that there will be an increase of cost to the city.

Ms. Saurman stated from a haulers perspective it should be a decrease because you are not hauling to a landfill or transfer station you are delivering in town.

Ms. Eichenwald asked why are you concerned that in 2017 our cost is going to rise.

Ms. Saurman stated that when you project out the budget and we plan \$375 times 36,500 households plus delinquent fees we estimate \$13.6 million in revenue that we are going to get and that allows us to build our fund to the point where we keep drawing down. We can only draw down so far until we have to raise trash fees again. What we tried to do in 2012 when we raised them we gave the rebates to the seniors was to project out as far as we can to the end of the contract and holding that line. Next year we will begin our process of writing the new contract.

Mr. Messinger stated right now there are too many what ifs as far as a new contract. We don't want to be lowering now and increase more a year or two later.

Ms. Eichenwald stated that her radar is on this Delta Thermo. Are you thinking we are going to increase it?

Mr. Messinger stated that I don't believe so, no. The problem is we are not sure the finalization of that is done yet. We are at a what if time. We need to look at this next year what the future is going to be.

Ms. Eichenwald stated that she hears what they are saying, but it is not an explanation that I am comfortable with.

Mr. Guridy stated that are you saying this is all a projection right now.

Mr. Messinger stated right. We have a five year projection of what we go out. Right now we have estimates of what it is going to be.

Mr. Glazier stated that part of the what if is what if Delta Thermo doesn't come to fruition and you have to go back and continue with a conventional hauler where it is expected that costs will continue to rise with the CPI. It is that reason you want to maintain the cash balance from year to year.

Mr. Guridy stated that you have to project it if it wasn't there.

Mr. Hunsicker stated that he has no trouble keeping the price the same. The thing is I have trouble with how many interfund transfers went out to that department and went somewhere else over the last year. How many million did you take out?

Ms. Bowman stated it would only be to Risk and the General Fund and General Service Charges, but to the Risk Fund. She stated \$695,000 for General City Charges, and \$25,000 which goes to Risk Fund for 2014. Mr. Messinger stated that last year was \$661,000,354.

Mr. Hunsicker asked when that contract was up for the garage and when it will be put in to replace the facility. I guess you will talk about it on Tuesday. For snow removal you said about six districts. How many vehicles are trucks you have per district and how many drivers you have for this coming season?

Mr. Messinger stated on a normal storm for the daytime we can have 40 - 45 drivers.

Mr. Hunsicker asked if that your own in-house people. We are not counting hiring other people.

Mr. Messinger stated that we also utilize other drivers from different departments. As far as traffic they supply some drivers. If need be Building Maintenance, Code Enforcement, Building Standards. We have an extra list of drivers so that this way we do everything in house before we get a contract.

Mr. Hunsicker asked do you anticipate you will have enough CDL Drivers to drive these trucks. I understand there is a shortage.

Mr. Messinger stated yes. We have a bunch that is new employees that are getting their CDL right now. Three-quarter have to get them done.

Mr. Hunsicker asked about the Compliance Department. What was the cost of this Compliance Department in 2014? He asked how many employees.

Mr. Young stated \$331,374. There are 3.3 employees, three full-time employees, plus a third of my time.

Mr. Hunsicker stated in the LCA Agreement it has a paragraph that says retain water systems. This is the responsibility of the city. Where is this cost or projection of what the cost will be to maintain this?

Mr. Young stated that the retained water supplies are Schantz Spring, Crystal Spring, the Little Lehigh and the Lehigh River. The Little Lehigh friction is at the screen. Everything from the screen in is LCA and is true at the Lehigh River.

Mr. Hunsicker asked about the Water Reservoirs.

Mr. Young stated that this does not include the Reservoirs. The Reservoirs are not a source. It is for holding water for distribution after treatment.

Mr. Hunsicker stated are you saying that the city is not responsible for remaining the water reservoirs and all the piping.

Mr. Young stated that is correct. The water is already there. There is no additional cost to maintain those sources.

Mr. Guridy stated good observation.

Mr. Schweyer stated that he would like to correct the record of what Mr. Hunsicker said. By default you said that this is a moneymaker for the city. I would argue that it is not when the actual and estimated fund balance in the 2013 versus the proposed is \$900,000 less. It is not a moneymaker if it is losing almost a \$1 million a year.

Mr. Hunsicker stated that he is getting that from is the budget sheet on a yearly basis it should one year over \$3 million was in that system.

? stated that it kind of made me curious about the contract as opposed to doing it in-house. Have you ever hired someone for a three year period and to get other estimates? Is there are thousands and thousands of dollars to be saved by just hiring a temporary person to look it over for three to six months.

Mr. Messinger stated that it would not pay for the salary for one person. The problem with that is the T&M is a company that they specialize on what they are doing and all the different consultant companies and everything is different.

Mr. Young stated that one of the things we do, do and there are ones in the proposed budget and that is for summer help. Very often we do hire in engineering a summer intern from one of the universities. We had one of the guys last year from Penn State that we were able to utilize to get some of this type of work done. There are temporary wages in the budget for those types.

? asked to analyze the system, not just to fill in and staple things together. She asked for an update on the sewers.

Mr. Young stated that the storm sewers on Andrew Street that had the flooding this past summer we have engaged T&M Associates and they are located in Bethlehem. We are in the process on working on the agreement and while working on the agreement, they have started the collection of data. We have given them all our GIS Data and our As Built Plans. They have started the process of building the model for the storm sewer and gathered information that this watershed goes into South Whitehall Township. We have contacted South Whitehall and gotten plans of the facilities in South Whitehall Facilities that drained this way. There is a lot of data input that they have started. I talked to a gentleman to find out what his projected schedule is. He expects to have a draft of their report to us by the end of this year with the final report late January, early February.

Mr. Hahn suggested in the budget to get rid of the Mayor and save \$100,000 and let PFM be the Mayor. He stated that his complaint from day one is the savings to the public. I heard about the Transfers and the money gets swept under here and gets stabilized over here. If you can explain the savings to the public or did it get turned into tax revenue.

Ms. Bowman stated that the savings are reflected in many ways. One, we are providing the service to the residents through the programs that we have here. There is no cost increase to the residents of the charges that they get be it through LCA as it was to the city. There is no tax increase for the pension problem. The pension savings is a tremendous savings. This has been a true savings for the city and the residents with no cut in services.

Mr. Hahn stated that we transferred a \$150 million to a \$307 million debt to the county which is not going to be a tax increase; it will be a rate increase to pay twice as much for losing the revenue and the water and sewer which amounts to millions of dollars. We are buying new equipment because 94 pieces of equipment was lost.

Mr. Davis stated that these questions were discussed for months now. The answers were provided. There may not be to your satisfaction. Do you have a question tonight about Public Works?

Mr. Hahn stated that he is worried about the \$2 million that the new sewer department is going to cost. How does that count as a savings? We have to pay somebody to review these reports. I don't know if that is a savings.

Mr. Davis stated that you are interested in savings. We have been discussing this.

Mr. Messinger stated that the equipment that went over there of 94 pieces did not mean 94 trucks. That might have been concrete saws and not vehicles, and backhoes. It wasn't 94 large pieces of equipment. You always have an expense on equipment. There was equipment that needed to be replaced out of that 94 pieces every year. What we did instead of taking used, older equipment, we were able to amortize it over six years and be able to supply the new equipment, and new emissions. You have a cost of doing business whether you are buying new equipment or using old equipment.

Mr. Schweyer stated short of wanting every new piece of equipment and every new tool that every department in the city wants. Do you have the equipment that you need to get through 2014? Do you have any expectation that it would be a dramatic increase in the cost of equipment in 2015?

Mr. Messinger stated yes and no to the expectation of the dramatic increase in the cost of equipment in 2015.

Mr. Hahn asked about the trimming of the trees for the lights and who will handle that.

Mr. Messinger stated that he doesn't want to speak for Parks. There was a long list of items and we went through a section of town from 4th to 12th to Walnut to Turner Street. We gave them a list of areas and we went out at night going around and checking the area and giving a list of trees that needed to be trimmed. Once those trees in that area are trimmed we will pick another area. Parks is working on it.

Mr. Dougherty stated that they have suffered in the past with their schedule and now they are up to full complement we hope to increase the number of trees.

Mr. Hahn stated that with a recent tour with his neighbor there are poles that might need to be replaced that are fixing light fixtures because they have been in the ground close to 70 years and are rotting.

Mr. Messinger stated that if you take a look in the traffic budget there is money in there for 30 poles. If there is a light on the poles with no light or nothing else that is a city pole and we have budgeted 30 poles to be replaced next year.

Mr. Hahn asked about the garbage collection and if they are tax exempt to keep their bids down.

Mr. Messinger stated that he has no knowledge of that.

Mr. Glazier stated that when we bid the solid waste contract in that contract is a cost for fuel. Mr. Hahn may be suggesting that fuel be separated out from that contract.

Mr. Messinger stated that I believe you are asking if they don't have to pay the tax on it.

Mr. Glazier stated that it is a great point because it is certainly a savings per gallon and I would guess most of those trucks are diesel.

Mr. Messinger stated correct. I would imagine on the next contract we will be asking them to go with natural tax.

Mr. Glazier stated that it may be taxed differently.

Mr. Messinger stated that it is. I am not sure the legality of that.

Mr. Glazier asked if the trucks need to be retrofitting to run off natural gas.

Mr. Messinger stated if it is the current ones, but there are new ones that you can buy off the showroom floor.

Ms. Saurman stated that Waste Management is an International Company and they have already been converting a lot of their vehicles to compressed natural gas and changing a lot of their fleet. They work out of Houston and working towards the East. We might consider something with an Environmental Credit so when we go for a bid we may get a percentage of the contract. It will affect Allentown because they are cleaner, quieter and a green thing to do.

Mr. Hahn asked about putting snow plows on the garbage truck and that being put by the waist side which was supposed to be a savings.

? stated that he is here to shed some light of why we should keep the Maintenance Worker II positions in the Streets Department. The upgrade grievances when employees work that class they have to be compensated for working above their job class. The administration over the last few years has created their own nightmare. We can't force the administration to fill any of these jobs, but not having them in the budget is a lot worse than not having them at all. We need these positions.

Mr. Dennis Pearson stated if you liken the police and fire with the production of the city and other areas with maintenance and operations, the Kechels yesterday before Council spoke about the fact that things happen over the weekends and they can't people involved because they are not working. Sunday is the day of rest for people and Sunday will always be time and a half. You have Saturday; just have a schedule with people out of Saturdays. Think about having a schedule of people working on Saturdays. Allentown once had Solid Waste all combined in its budget with property tax. Then the federal government started offering programs and a certain Mayor decided that he wants to keep property taxes down. He took money from the federal government and paid the fire company and took the fire company out of the budget and federal money was used to pay the fire company. A couple years down the line the federal government says you can't do that and therefore the administration scrambled to put the fire company back in the budget and decided not to raise property taxes, but establish a solid waste fee.

Mr. Dougherty stated that he had a conversation with both Ann and Tom today as a follow up to last night's meeting exploring the feasibility of having a Sweep Officer on duty over the weekend.

Adjourned: 8:40 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 or contact the Clerk at Michael.Hanlon@allentownpa.gov to receive an email notice of the meetings.