

COMMITTEE OF THE WHOLE - 6:30 PM
SEPTEMBER 17, 2008

R68

Confirmation of Kenneth Bennington as the Managing Director

Mayor Pawlowski said Mr. Bennington already has the professional and managerial experience since being on board here. He has served for township manager of Hilltown Township. Ken has exceptional team leadership skills. He is a committed municipal professional with a passion for public and community service. The Managing Director has an important position critical to the operation of government.

Ken Bennington said when he accepted the position of Director in Building Standards, he was aware of the residency requirement. He does not have any less regard for the City of Allentown because he chooses not to move into the City. He has integrity, ethics. Everywhere he's worked, he gives 100%.

Mr. Howells said he's a man of a lot of initiative and motivation and has a desire for professional excellence. Some of his other attributes are honesty, integrity, loyalty and sincerity. He reached out to the Hilltown Township residents, and they all said they hold him in the highest regard. He's very happy and pleased that he has taken this position. When it's time to vote on R68, he will move to suspend the rules to bring R68 to the front of the agenda.

Mr. Gurdy said he's very impressed with his resume as well as him as a person. He thinks he's very qualified. He would like to see more minorities hired within the City.

Mr. Bennington said he and Ms. Eichenwald expressed the same concerns. The private sector pays more than the public sector. Chris Ruth said they run job fairs, but he thinks the City could do more.

Mr. Donovan asked him what makes him traverse in this path from Hilltown to the Managing Director?

Mr. Bennington said he was raised and born in northeast Philadelphia, which is a little less than 15,000 residents. He's lived there for 33 years. When he came into the Director of Building Standards, he was told there were a lot of incorrigible people. There was no customer service; no response to complaints. He made it a point of riding around with each inspector to see what they did and communicate directly with them, reemphasizing the importance of talking to people. He told all 41 people he works with not to judge him on his words, judge him on his actions. City of Allentown employees are looking for someone to tie everything together. He tries to bring everyone together towards a common goal. His communication, people and managerial skills will translate that.

Mr. Donovan said he thinks the City should be able to go out on a national search. Sometimes the relationships and decision making are not always clear. He does not disagree with this position. He thinks there's a great responsibility in a City this size to separate the managerial duties with the strategic issues. His vision is the Mayor sets strategy and policy taking input from staff, citizens and Council and the Managing Director executes that by relying on department heads. Micromanaging does not work. If we're going to have someone with your skills on staff, let's have it work well, and he hopes he pays attention to that.

Mr. Bennington said the bottom line is we all work for the residents of Allentown, and he believes in allowing his people to do their jobs. He manages them and allows them to carry on and do what they need to do and give them guidance. He's not a yes man; never has been and will not change. He's always open to new ideas.

Mr. Schweyer said he certainly has the skill sets and resume of experience. Administratively, this is the most important position in the City. Mr. Dougherty had a very good relationship with Council. He was willing to work with us. How is your style different from Fran's?

Mr. Bennington said he thinks he's a softer version of Fran. Fran was more of a shock jock. He uses a softer approach.

Mr. Schweyer said one of his biggest concerns with the function of the City has been customer service. He appreciates his valiant attempts to try to change the culture of City Hall and make it more customer friendly. He has seen an improvement with people in his department. How would you take customer service further, not only improve the responses but also follow ups.

Mr. Bennington said he insures his supervisors will respond to all complaints in a timely manner. Whenever we get complaints from Council, we act on it immediately. Every department in the City has to understand customer service and responding to complaints is paramount, and he would reemphasize that across the board. It's a very important aspect in everyone's job.

Mr. Schweyer asked if he agrees with what Mr. Donovan's assessment of what the managing director's position is?

Mr. Bennington said absolutely. He's responsible for the operational aspects of the City. When people don't get their snow plowed, their trash picked up, their roads cleaned, then it's his responsibility. He's operationally responsible for every aspect in the City. He totally agrees.

Mr. Schweyer said he's met with Ken several times. When he was first elected to Council, Mr. Bennington was the first bureau manager to call him up and invite him in to learn a little bit more about his department. That was tremendously helpful and he appreciates that. He'd like to see more of that with members of Council and members of the public to learn more about what's happening inside their City government. He's happy to join with his colleagues who spoke before in supporting this appointment.

Mr. Bennington said he would just like to clarify that he's operationally responsible for the City, in conjunction with the Mayor.

Ms. Eichenwald said you mentioned in your opening remarks that you wanted to be judged by your actions rather than by your words. I'd like to testify about your actions. I believe it was the next day, after the election of City Council, when she received a phone call from him inviting her to come to City Hall to learn about the work of your department. It was a call that pleased her very much. She came in. It was efficient, it was organized. She learned a great deal in 2 hours, and she was very pleased that you provided her with that opportunity. So when you speak about your desire to increase customer relations and customer service, she saw by his actions that's exactly what you provided. She'd like to return to the residency issue. Since we are honored tonight to have Mr. Snyder with us if you could tell us what your official opinion is so we can put that to rest.

Jerry Snyder, City Solicitor, said he concluded that for this particular appointment there's no residency requirement. After his review of the Charter and his review of the history and what City Council and City government have done, there is no residency requirement for this position.

Ms. Eichenwald said she thought it was important for this discussion to proceed that we know what that official ruling is. She's very pleased to know that Ken comes out of the private sector. She thinks there's a lot of transference of skill sets from the private sector into the public sector. She knows with their discussions with the Mayor, Mr. Dougherty and Mr. Hilliard, that they've discussed some deficiencies in computer technology programs to provide better customer service. Could you share with us in a preliminary way where you think the greatest effort needs to be done to improve the technological developments in the department to better serve Allentown.

Mr. Bennington said he's already sat down with Matt Leibert who will be reporting to him as the IT person. He's identified – we do a lot of project management in the City. He doesn't believe the project managers have the project management skills they need to do the projects. We need to get them the training they need as well as a software package that will allow them to be project software managers. We also need to automate the permitting system to make it more efficient than the manual operation we have. We also need to automate the work order system. He believes the Purchasing Order upgrade with the ballot question will go a long way into getting us into the 21st century to allow us to do the things we need to do to make us more competitive. Mary Ellen Koval does a great job, but she doesn't need to have her hands tied behind her back doing the purchasing and quoting system.

Ms. Eichenwald said in addition to customer relations and customer service, what else do you view as one of the greatest challenges of your position?

Mr. Bennington said communications. When he first came here, he asked if we had any internal meetings with the Community Development Department. They said no. He reached out to Zoning and Planning. He thinks zoning and planning are integral to the Building Standards Department. They have quarterly meetings. He reached out to the other regional communities – Bethlehem and Whitehall – they have quarterly meetings with them. He thinks you have to reach out to everyone to get best issues and ideas and integrate them into the decision making.

Ms. Eichenwald said she looks forward to working with him. She hopes in a few minutes it will be official so we can officially welcome you to the job. She wishes him well. She knows they will enjoy working with him.

Mr. Phillips said he opposes the position. It's not personal or him. He just wanted him to understand where he stood.

Mr. Bennington said he understands perfectly.

Mr. Phillips asked how long was his appointment with Merck? And why did you leave?

Mr. Bennington said 26 plus years. He left because Merck was going through some tough times with the drug buyouts. They offered him a package that with first blush he didn't want to take an early retirement but after reviewing it a few times, and then with better offers, he would have been an idiot to turn down because it made him whole for the remainder of his life. If he died, it covered his wife until she died. He would have liked to stay at Merck until full retirement, but it was in his best interest to accept the buyout.

Mr. Phillips asked what were your responsibilities there?

Mr. Bennington said the last 8 years, he was the global administrator for the Merck Electronic Trading System, which tied together all the Merck worldwide sites. They had 63 sites at that time, which he tied together with this system. They contracted to 35 because they consolidated a lot of the individual sites in Europe, South America and Asia. When he left he was responsible for all the purchase orders and forecasting throughout the Merck world so that manufacturing facilities would flow from one site to another.

Mr. Phillips asked what was his position in Hilltown Township?

Mr. Bennington said he initially started as an appointment to the Planning Commission. Some issues arose over uncontrolled development. He was for controlled development. He clashed with one of the supervisors in the Planning Commission, and he did not reappoint him to the Planning Commission. He ran for supervisor and beat the incumbent by almost 80% of the vote. He served 3 terms; 16 years. At that point in time he left Merck and went to Commerce Bank as a branch manager and that wasn't his cup of tea. His 2 fellow supervisors, because they had an opening for manager, knew he was looking for another position and offered him the position of manager. When he accepted that he served 2 years as Township Manager. He had both aspects of Hilltown Township. At the legislative aspect, as an elected official as well as managerial in the executive branch.

Mr. Phillips asked what's the population in Hilltown?

Mr. Bennington said approximately 15,000 people and 27 square miles. He was responsible as manager for Public Works Department, Police and an administrative staff.

Mr. Phillips asked how do you compare your experience with where you're going?

Mr. Bennington said if you have the skills on a smaller level you can transfer those skills that you've mastered over 30+ years in the working world to a larger environment.

Mr. Phillips asked if the last managing director lived in the City?

The Mayor said yes, he did.

Mr. Phillips said your last managing director was frequently appointed deputy mayor when you were out of town. Will we expect the same of Mr. Bennington?

The Mayor said no, he's not a resident. He'll go back as past mayors, and rotate that delegation by department. In the past, it was anyone from Councilpersons to department heads.

In response to Mr. Phillips about changes in the structure of government, Attorney Snyder said he wasn't aware it was his request, and he thinks they did address that. What he's attempting to say to him was the Mayor has the authority to delegate authority under our Charter. The powers that are reserved for the Mayor are reserved for the Mayor. The powers that are reserved for Council are reserved for Council. He guesses you could call him a strict constructionist. In the Supreme Court there have been people who are trying to create law versus those who follow the U.S. Constitution. His view of the City Charter is – the City Charter was created in and adopted by the citizens in 1990. It either provides express powers or they're not to be applied. In this particular case, whether the individual who serves in the position the mayor has chosen called managing director and City Council, in 2006, chose to call it managing director, whether that person has authority is only because it's delegated by the Mayor. Council did not see fit to create a new position. In Bill 40, Council said they wanted the authority to confirm an appointment to this position. That has been the law since 2006. In this particular case, there is no change in the form of government. There were individuals who served a very similar function in prior governments, and they were called executive assistants. Their job was very similar, not identical. This Mayor has the right, since 2006, to delegate day-to-day certain managerial functions to an individual. Had he called him Chief of Staff or executive assistant or janitor, it doesn't matter. The point is under our Charter the Mayor has the authority to delegate certain functions to an individual to help him carry out the Mayor's Charter responsibilities. It's not a new form of government or a subversion of the Charter. He tried to articulate that to him in his letter.

Mr. Phillips said they have a difference of opinion.

Attorney Snyder said we might. He's asked to call it the way he sees it, and he called it.

The Mayor said we hashed this out 2 years ago for hours and hours. 2 weeks ago you said Fran was an opponent when the position started, but Fran validated the position. Now you're basically flip-flopping and changing your position. I'm a little confused. We looked at other cities. There was no violation of the Charter. It's not a change in the form of government.

Mr. Phillips said he was speaking about the person, not the position.

The Mayor said that's not what you stated. It's on tape.

Mr. Phillips said he's not going back and forth.

The Mayor said the tape validated the position.

Mr. D'Amore requested they go to the next question.

Mr. Donovan said Mr. Phillips mentioned he has a difference of opinion than the attorney's. Can you explain your differences?

Mr. Phillips said when you have a strong mayor form of government and bring in a managing director it's simply contradictory to that form of government.

The Mayor said Philadelphia has a City Manager, Scranton, Harrisburg, Altoona – they all have a strong mayor form of government.

Mr. Donovan said basically it's philosophy of the structure. He guesses he should decide the interpretation of the Charter and Pennsylvania law about the delegation of authority and position if it actually existed. He'll stay with his conclusion and move on to his next question. Mr. Bennington you mentioned your international service, which is quite extensive. Something very important to him is the future of Allentown's ability to develop itself both in the community and economically. It's very important to understand we are a City with lots of different people, lots of different languages and cultures – we all have to figure out how to get along. Often individuals who travel a lot, with lots of different situations, appreciate challenges like that, but more importantly he would hope some of his contacts internationally still exist that you could pass on to the Mayor in terms of opportunities for foreign investment into the City. Does that still exist?

Mr. Bennington said he passed along a lot of his domestic relations. They brought several people in and they have talked with Duane Tolson already. He's brought other contacts in. His contacts in Bucks County are still there. Internationally, he hasn't worked there for 5 years. A lot of people have changed, so it could be a little difficult. Domestically, he still has contacts.

Mr. Donovan said information technology is extremely important to the City. Matt Leibert has done a tremendous job, but we need to make tremendous improvements. He appreciated having someone on staff like Fran Dougherty who appreciated technology and was willing to work with us to try to find opportunities for efficiency.

Mr. Bennington said Matt Leibert does a tremendous job. He's also hand strung because, the private sector again, pays a lot more for the people who do the IT technology.

Mr. Donovan said he's heard that argument, and he doesn't buy it. There are 7 billion people in the world, and there's always someone better than he is. There's always lots of good people out there.

Ms. Eichenwald said Attorney Snyder gave Council a very cogent explanation that the Mayor has the right to delegate authority and how he has chosen to do it. She hopes the remainder of this confirmation hearing dwells on Mr. Bennington and his qualifications and no longer concern ourselves with ethicality of the position. That has been established, everything is in order and let's return to Mr. Bennington.

Mr. Guridy said he is asked why are you hiring somebody from outside the City? Isn't there somebody in the City that can do the job? He's had this discussion and he's satisfied with the Mayor's answers.

The Mayor said Mr. Bennington is well qualified for the position. He doesn't believe we could find anyone else of a higher caliber. He has more extensive qualifications. He understands City Hall and government. He knows the players. He can start from day one. We're not competitive on our salary scale. If you compare our salaries to Reading, you'll notice they're paying \$130,000. We

don't provide any relocation assistance; there's no incentive to move in this area, like Air Products, who pays for moving expenses. Easton has had a very difficult time trying to find someone fill their position, because the salary they're offering is very low. Seeing we had someone qualified and competent internally, and we're promoting from within; someone who has served in the private and public sector bringing a variety of skills to the position, knowing all the department heads and interacting with them; and, he's worked intimately with the community for the last 10 months. He's the perfect candidate to bring into this position. He provides a very unique perspective.

Mr. Guridy asked Mr. Bennington to keep an eye on the properties that are tagged unfit for habitation and improve the housing stock in Allentown.

Mr. Bennington said his department does a tremendous job in the systematic rental inspections and the presales inspections, where they've reviewed over 700 applications. This has all gone into improving the housing stock.

Mr. D'Amore said he's very satisfied with Mr. Bennington's professionalism and qualifications. You've already made the transition seamless.

Mr. Hershman said Council can amend the ordinance requiring the managing director be a resident of Allentown.

Nick Balzano, President, SEIU, said once again the ugly head of residency has popped up. He had the unique position of not just knowing Mr. Bennington but working with him. He's very competent, fair and open minded. The doors to his office were always open. He will make a fine managing director. The City needs to get the best possible people and residency restrictions hurt. He gives his wholehearted support for this position.

Mr. Donovan, Mr. Guridy and Mr. Howells moved to forward R68 favorably.

Mr. Howells requested R68 be moved to the front of Council's agenda to vote on it.

R68 was forwarded favorably, 6 Yeas and 1 Nay (Phillips).

R68 will be voted on right before Reports on Committees.

**PUBLIC HEARING - 7:15 PM
SEPTEMBER 17, 2008**

The meeting was called to at 7:15 PM.

Mr. Donovan, Ms. Eichenwald, mr. Guridy, Mr. Howells, Mr. Phillips, Mr. Schweyer, and Mr. D'Amore were in attendance.

R51

Approves intermunicipal transfer of a liquor license owned by Ambrosino LLC formerly licensed to conduct business at 1106 South Rte. 100, Upper Macungie Township, Breinigsville, Lehigh County, Pennsylvania, to Wegmans, 3900 Tilghman Street, Allentown, Lehigh County, Pennsylvania.

Mark Calazar, Esquire, Flaherty and O'Hara, said this application has created some controversy. There's no question the Wegmans store qualifies for a restaurant liquor license. Wegmans is headquartered in Rochester, New York. They have approximately 60 stores. The Pennsylvania stores sell beer on the premises and off the premises. They have no plans to sell anything but beer. The beer will be sold in single serving containers and 6 packs, 2 6 packs, per customer, per sale. All persons selling the alcohol, including managers, will receive RAMT (Responsible Alcohol Management Training) training. It's a program put together by the Bureau of Liquor Control Enforcement. He requested they approve the Resolution.

The Mayor said Wegmans has been an outstanding corporation citizen in the City. There is no other operation that has extended itself. They are one of the foremost employers. They contribute a number of dollars throughout the City and region. They're a tremendous partner in almost every event.

The public hearing was adjourned at 7:25 PM.

**COUNCIL MEETING - 7:30 PM
SEPTEMBER 17, 2008**

1. Invocation: David M. Howells, Sr.

2. Pledge to the Flag

3. Roll Call

Mr. Donovan, Ms. Eichenwald, Mr. Guridy, Mr. Howells, Mr. Phillips, Mr. Schweyer and Mr. D'Amore.

4. Courtesy of the Floor

Louis Hershman, 405 North Gilmore Street, said he's here about the Mayor's executive privilege in the waiver of fees, permits, penalties and taxes. The Mayor has no authority to do it. He's concerns because we need money.

Mr. D'Amore said it's not clear from the inquiry he made that the Mayor waived any fees. He has not had the opportunity to speak with the Solicitor in regard to that. He'll have that conversation with him before he leaves. He will have an answer for him by the next Council meeting.

Mr. Hershman said he sat in on a capital meeting with you and Mr. Donovan. He questioned the risk on our investments and how more and more banks are failing, mergers, etc. It shows the \$130 million of investments are held by O'Conner . . . he doesn't know if there's a failure how this will effect the City. He'd also like to know about the \$6.7 million that we have in the banks if securities aren't posted. How are you going to check on this? We can't have failures. Do we have collateral?

Mr. Donovan said you mentioned \$130 million and you mentioned several bank holdings. He didn't understand that.

Mr. Hershman said it says as of December 31, 2007 \$130 million of the City's investments are held by the investment party. Are we protected on that?

Mr. Donovan said he believes what he's looking for is that --- as he remembers the question from Mr. Hilliard is 1) Do we actually have physical holdings of securities?

Mr. Hershman said if it's not in our name, should there be some type of failure, how are we covered?

Mr. Donovan said your 2nd question was pledge of collateral. Physically holding securities is pretty much a non-event. There's so much digital bookkeeping. Mr. Hilliard gave you an answer that satisfied me, Mr. Hilliard, as well as the CPA. They're pretty much standard procedures. We could dispute whether the world has gone to a point where 30 or 40 years ago pledges were made in a different fashion to simple bookkeeping entries where it's our investment and we have to rely on the stock industries or insurance in the event of disasters. He supposes he could go back to committee for more detail. He's on the Pension Board and he understands how securities are invested through a variety of portfolio and managers so that risk is spread. He urges Ken Bennington to contact Mr. Hilliard. Just in a sense, Mr. Hershman raises a good point. We lost 1,000 points in the stock market in the last few days. We have a major insurance carrier that's in deep, deep trouble among other things that we should at least check to see where things are and how we stand. He accepted the explanation of the modern banking of how securities are booked, pledged, but certainly we're in a crisis time.

Mr. Hershman said he's concerned. He wanted to read into the record "where investment facility is a risk that in the event of a failure of a counter party the City will not be able to recover the value of its investments or securities."

Mr. D'Amore said he thinks that's a good request. He is going to ask Mr. Hoffman if, during his report, if he has anything to say tonight, please feel free to do so, but if not perhaps he can take a look and do some investigating for the next Council meeting and give us a little more detail in his report.

Mr. Hershman asked if the City of Allentown and the FOP negotiated to hire outside counsel?

Attorney Marchetto said yes.

Mr. Hershman asked what does it cost the City?

Attorney Marchetto said he doesn't know.

Helen Steedle, 514 North 18th Street, said she brought her neighbors along. They want to know what is going to be done about the house at 516? It has not been occupied for about 11 years. Nobody has broken into it. She spoke to Mr. Schweyer several times, but she doesn't have any solid answers. What are they going to do with it?

Mr. D'Amore said our Building Standards people are here today. He deferred to Ken Bennington and David Paulus.

Ms. Steedle said Mr. Holler had been helping them. He's been helping the neighbors for a couple of years. Is the City going to board, repair it or sell it?

Mr. Schweyer said this property has been put on the Blighted Property Review Board list. It is a lengthy process. The next meeting of the Blighted Property Review Board is in 2 weeks. At that point the Review Board will have the right to begin condemnation proceedings. Your major concern is with boarding the property, which is a method that is used as a last resort. If the property is becoming unfit for human habitation and becomes a repeated safety hazard, such as numerous breakins, or if people are using it to deal or sell drugs or prostitution., the City then has the right, if it's a safety hazard, to go ahead and board the property.

Ms. Steedle asked what his idea is of a blighted area?

Mr. Schweyer said there are 13 different criteria to meet to be a blighted property.

Mr. D'Amore said the nature of property rights in the Commonwealth is a very slow process.

Ken Bennington said when a house is placed on the Blighted Property List sometimes it forces the owner of a home to take corrective action. It ultimately may come off the property list.

The Mayor said under the Third Class City Code there are several ways to get properties to comply. Code can fine the properties, which they do. If they refuse to comply under Code Enforcement, we can take the properties to the Blighted Property Review Board. Let's say the property owner refuses to comply with Code and the property continues to deteriorate. If it deteriorates to a point it is then placed on the Blighted Property Review List, which is under the Redevelopment Authority. Once it's on the list, it has to comply with 13 different criteria. If it applies to all 13 criteria, it goes before the Board, the Board votes on it, it comes before this body and they vote on it. At that particular point, they can actually take it by eminent domain. We have right, by state law, to take a property by eminent domain. There's no way for us to force a property owner to do anything if he fails to comply with our ordinances. Many of the houses that go on this list – it doesn't mean your area is blighted or that it's going to have a negative effect on your property or house. It's a way for us to effectively and systematically go after this property

owner and make them comply with certain requirements. Many times if these properties go on the list, they will comply. If you don't comply with code enforcement and fix up your property, we, as a municipality, will take your property away from you. That is the last step for property owners who do not comply with city codes. If they do not, then we have the legal right to take legal control of their property. Up to that point, we do nothing but fine them for not complying.

Ms. Steedle asked if this is going to lower their property values?

The Mayor said he doesn't believe so. If we do our job right, and if we take the proper action and enforcement, our goal is to improve the property and make sure it doesn't happen.

5. Approval of Minutes:

Committee of the Whole Minutes of August 6, 2008 on Community Policing Strategy
August 6, 2008 Minutes

6. Old Business

Transfers: Council has approved a number of transfers that have been distributed as part of this agenda and are included as an attachment to the minutes, copies of which are on the table.

7. Communications: None.

8. REPORTS FROM COMMITTEES:

Mr. Howells and Mr. Guridy moved to suspend the rules to move R68 to the front of the agenda and vote on it.

The rules were suspended by common consent.

R68

Kenneth Bennington: Managing Director

R68 was approved, 6 Yeas and 1 Nay (Phillips).

Mr. Bennington said he treats all people with respect and dignity and will continue to do so.

R59

Approves the Application for the Issuance of an Economic Development Liquor License for the Palace Center at 316 North Fenwick Street.

Mr. D'Amore said a public hearing has been scheduled to take public testimony on October 1st, at 7:15 PM, on R59.

Mr. D'Amore said a Committee of the Whole is scheduled for October 29th, at 6:30 PM to discuss Goals and Objectives of the Community and Economic Development Department.

ADMINISTRATION – Chairperson Donovan said the Committee has not met since the last Council meeting; a future meeting has not been scheduled. The Presales Inspection Committee will hold a public hearing next Wednesday, September 24th, at 6 PM.

COMMUNITY AND ECONOMIC DEVELOPMENT – Chairperson Schweyer said the Committee met last Wednesday; a future meeting been scheduled for September 10th to discuss Bill 76. We also discussed the Hamilton Visioning sessions. He will suspend the rules to vote on R61, Hamilton Street Vision Statement.

PUBLIC WORKS – Chairperson Guridy said the Committee has not met since the last Council meeting; a future meeting is not yet scheduled.

PUBLIC SAFETY -Chairperson Howells said the Committee has not met since the last Council meeting; a future meeting has not yet been scheduled.

APPOINTMENTS - Chairperson D'Amore said the committee met last Wednesday, September 10th, in executive session and reviewed appointments submitted by the Mayor to Council; some of which are on tonight's agenda and the rest will be on the next agenda.

LEGAL AND LEGISLATIVE – Chairperson Phillips said the Committee has not met since the last Council meeting; a future meeting has not yet been scheduled.

RULES AND CHAMBERS – Chairperson D’Amore said the Committee has not met since the last Council meeting; a future meeting has not been scheduled as there are no agenda items.

OTHER COMMITTEE REPORTS: None.

CONTROLLER’S REPORT

Mr. Hoffman said the Pension Fund, which is \$130 million is held by Wachovia Bank as the custodian. They are not the owner of those securities/mutual funds. They are holding them for us as custodians. There’s very little risk there. The records are locked up and it takes a while to figure out. The deposits of the City themselves fall into 2 categories. We have some direct investments, treasuries, Ginny Maes. No Fannie Maes or Freddie Macs which are held by U.S. Bank as custodian. We have some bank deposits which are backed up by Act 72 collateral. He’s not going to say Act 72 collateral is bulletproof. The valuation of the securities is face value not market value. He doesn’t think there’s much risk at all.

9. ORDINANCES FOR FINAL PASSAGE:

Bill 76

Administration Sponsored: Amending the 2008 General Fund Budget to provide for a supplemental appropriation of Seventy-seven Thousand (\$77,000) Dollars to provide for a grant from Pennsylvania Department of Community and Economic Development Environmental Protection Agency to the City of Allentown for the Coca Cola Stadium.

Mr. Donovan said Bill 76 was recommended favorably, 2-0. There was a typo on the original ordinance.

Mr. Donovan and Mr. Howells moved to amend Bill 76 as follows: Community Development, 0009-0901-0007-48, \$77,000, Office of Economic Development.

The amendment was approved by common consent.

Bill 76 was adopted, as amended, 7 Yeas and 0 Nays.

10. ORDINANCES FOR INTRODUCTION:

Bill 77

Introduced by the Administration: Amends the Child Care Ordinance to bring the regulations into compliance with State regulations

Bill 77 was referred to CEDC.

Bill 78

Introduced by Councilpersons Schweyer and D’Amore: Amends the Anti-Litter Ordinance by authorizing the removal of Graffiti

Bill 78 was referred to CEDC.

Bill 79

Introduced by the Administration: Amending the 2008 Capital Fund Budget to provide for a supplemental appropriation of Two Hundred Thousand (\$200,000) Dollars to provide for the grant from the Commonwealth of Pennsylvania Office of the Budget. Funds are to be used by the City of Allentown for the completion of the Arts Walk.

Bill 79 was referred to CEDC.

Bill 80

Introduced by Council: Amending Part Seventeen, Building and Housing, Title One of Codified Ordinances of Allentown, Pennsylvania, entitled Standards and Administration, by adding a new Article entitled “Sheet Metal Technician,” requiring certain licensing of persons performing duct work used in HVAC systems, under certain terms and conditions.

Bill 80 was removed from the agenda.

Bill 81

Introduced by Council and the Administration: Amending Article 734 of the Codified Ordinances, by adding a new Section, entitled "Failure to Report Lost or Stolen Firearm," requiring prompt notification to authorities of lost or stolen firearms, and imposing penalties.

Bill 81 was referred to Public Safety

11. CONSENT AGENDA:

CA1

Approvals by HARB for work to be done in the Historic Districts at the following addresses: 37 North West Street, 432 North 8th Street, 238 North West Street, 228 North Fulton Street, 302-304 North 9th Street and 424 North 8th Street

CA1 was approved, 7 Yeas and 0 Nays.

Mr. Phillips left the meeting.

12. RESOLUTIONS ON SECOND READING:

R51

Approves intermunicipal transfer of a liquor license owned by Ambrosino LLC formerly licensed to conduct business at 1106 South Rte. 100, Upper Macungie Township, Breinigsville, Lehigh County, Pennsylvania, to Wegmans, 3900 Tilghman Street, Allentown, Lehigh County, Pennsylvania.

Attorney Calazar said 2 other licenses that were approved are in Hanover Township and Lower Nazareth. The setup in the Allentown store will be very similar to those stores.

Mr. Gurdy asked how many stores are in Pennsylvania?

Attorney Calazar said there are 6.

Mr. Gurdy asked exactly what are you going to serve and where will it be served?

Attorney Calazar said just beer at this time. It will be served in the market café area.

In response to Mr. Gurdy's question, Attorney Calazar said New York has different laws. They have a specific set of licenses for grocery stores. They can sell it off the shelf.

Attorney Snyder said the LCB sets all the regulations. If the regulations aren't followed, there will be citations issued. There are safeguards in place to check on sales to underage children.

Mr. Donovan said liquor licenses are originated by the state. How many are for sale in the County? Are they listed like real estate?

Attorney Calazar said there are brokers who broker liquor licenses. There are direct issue licenses in the State of Pennsylvania, and there are quota licenses. Those are based on population.

Mr. Donovan said Pennsylvania has the highest volume of dollars in the liquor industry. How much is a license?

Attorney Calazar said in Lehigh County it's probably in the neighborhood of \$120,000/\$125,000.

Mr. Donovan said we're seeing quite a few of these intermunicipal transfers and economic development licenses that are expensive. There are a lot of lobbying dollars out there being spent on this. He feels hands are tied in Pennsylvania.

Attorney Calazar said one of the reasons the intermunicipal transfer laws are in place – there were pockets in the state where the price of a license was over \$500,000. Since the change in the law for Centre County -- State College being the primary place -- because we have a quota system, the market drives the prices up.

Ms. Eichenwald asked what is the impact the MBDA will have if Wegmans license is granted?

Attorney Calazar said Wegmans is an intervener. They filed a brief about 3 times that size. The LCB granted Wegmans the license. They've held hearings for all 6 licenses. The MBDA were interveners. Under law, an intervener's next appeal of the decision is to the Commonwealth Court. They and the LCB feel very confident that the Commonwealth Court will uphold the PLCB's decision.

Ms. Eichenwald said she does feel the MBDA does have a legitimate concern. How will this decision impact the liquor license at Wegmans?

Attorney Calazar said he doesn't feel sympathy for the distributors because every restaurant liquor licensee in the State of Pennsylvania, under the liquor code, must buy their beer from a distributor. Wegmans can't make a deal with Miller Brewing Company and have beer shipped in directly.

Ms. Eichenwald said you can't be a primary source customer.

Attorney Calazar said he doesn't understand how the MBDA is being harmed.

Mr. Howells said he doesn't understand what their opposition would be, since Wegmans has to buy from them as well. Wegmans is a good corporate citizen and a big plus for the City.

R51 was approved, 6 Yeas and 0 Nays.

13. NEW RESOLUTIONS:

R59

Approves the Application for the Issuance of an Economic Development Liquor License for the Palace Center at 316 North Fenwick Street

Mr. D'Amore said that will be heard at a public hearing at 7:15 on October 1st.

R60

\$1,200,000 in Redevelopment Assistance Capital Grant Funding for Science Facility at Muhlenberg College

Mr. D'Amore said this is a pass through grant application request.

Mr. Schweyer and Mr. Howells moved to suspend the rules to vote on R60.

Mr. Donovan said since he's employed by Cedar Crest he will recuse himself from voting on R60.

Ms. Eichenwald said she is an employee of Muhlenberg College. She also will recuse herself from voting on R60.

R60 was approved, 4 Yeas and 0 Nays.

R61

Supports the Hamilton Street Vision Statement

Mr. Schweyer and Mr. Howells moved to suspend the rules to vote on R61.

Mr. Donovan said this is just part of downtown Allentown. He feels it's important to keep moving forward.

Mr. Gurdy said he attended some of the meetings. They've done a wonderful job.

Mr. Schweyer said they had a conversation at length with Joyce Marin. This is a result of that conversation. Ms. Marin requested a resolution. The committee decided we would move it forward. The Committee of the Whole will be meeting on October 29th with Ms. Marin. She will be giving a full rundown of all the activities. He wants Ms. Marin to be prepared to have a more focused conversation. They unofficially supported R61 in committee. If there is something specific any Councilperson would like to discuss at the October 29th meeting, you should give that to the City Clerk.

R61 was approved, 6 Yeas and 0 Nays.

R62

Disruptive Conduct Board Appointments: Kenneth Laudenslager, Candida Svizovsky, Richard Young

Mr. Howells said he knows all 3 appointees and recommends them highly.

Mr. Donovan and Mr. Howells moved to vote on each candidate separately.

Mr. D'Amore asked if Richard Young had to be appointed, since he is an employee?

Attorney Snyder said no. He is on the board by ordinance.

Mr. Schweyer said all the appointments on tonight's agenda were forwarded favorably by the Appointments Committee.

R62 was approved, 6 Yeas and 0 Nays.

R69

Disruptive Conduct Board Appointments: Candida Svizovsky

R69 was approved, 6 Yeas, 0 Nays.

R63

Human Relations Appointment: Walter Felton, Jr

Mr. Howells said at one time there was a height limit in the Police Department of 6'3" and Mr. Felton didn't qualify since he's 6'10" They thought they would develop back problems getting in and out of the cruiser. Wilt Chamberlain was doing commercials for Volkswagen. He said if he can get in and out of Volkswagens, Walter could get in and out of a cruiser car. He served the City extremely well.

Ms. Eichenwald said last week she attended a neighborhood crime watch where he spoke. She congratulated him on his appointment.

R63 was approved, 6 Yeas and 0 Nays.

R64

Fire Civil Service Appointment: Ibolya Balog

Mr. Donovan said he works with Ibi at Cedar Crest College. She is extremely reliable and intelligent.

R64 was approved, 6 Yeas and 0 Nays.

R65

Police Civil Service Appointment: Rebeca Tores

Mr. Howells said he put Attorney Tores on the Board years ago. She's very versed in the laws.

Mr. Gurdy said she is a well regarded person by many. She is very smart and very committed to the City and public service.

R65 was approved, 6 Yeas and 0 Nays.

R66

Housing Authority Appointment: Alan Jennings

Mr. Gurdy recused himself from voting because he sits on the Allentown Housing Authority.

Mr. Howells said Alan is a great advocate for those down and out at times. He, too, is a wonderful servant of the City.

R66 was approved, 6 Yeas and 0 Nays.

Mr. D'Amore moved to renumber the following appointments to the Electricians Examining Board.

The motion was approved by common consent.

Mr. D'Amore said all the appointments were approved by the Appointments Committee.

R67

Electricians Examining Board Appointment: Joseph J. Cocca, Jr.

R67 was approved, 6 Yeas and 0 Nays.

R70

Electricians Examining Board Appointment: Roger C. Mabus

R70 was approved, 6 Yeas and 0 Nays.

R71

Electricians Examining Board Appointment: John L. Netwall

Mr. Howells said he's been involved in many sports throughout the City. His wife is an Olympic coach for gymnastics. He does great electrical work.

Mr. Schweyer said he went to school with his son. He thinks the world of him.

R71 was approved, 6 Yeas and 0 Nays.

R72

Electricians Examining Board Appointment: Brian Butz

R72 was approved, 6 Yeas and 0 Nays.

14. NEW BUSINESS

Mr. Howells said the next Public Safety Committee meeting will take place on October 1st, at 6 PM. We will review Bill 81.

15. GOOD AND WELFARE

Mr. D'Amore said he had a terrific time at West Park's 100th Birthday Celebration. The City workers did a tremendous job making sure the park was clean and well kept and ready for the celebration.

Mr. Donovan said it has been a few weeks since the tornado on the east side of Allentown. He hopes there is a system where Council is notified of serious crises at once.

Mr. D'Amore said the Fire, Police and the Public Works Departments performed admirably.

16. ADJOURN

The meeting was adjourned at 9:15 PM.

Michael P. Hanlon
City Clerk