

Michael D'Amore, Ph.D., President
W. Michael Donovan, Vice President
Jeanette Eichenwald
Julio A. Guridy
Ray O'Connell
Mike Schlossberg
Peter Schweyer



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COUNCIL MEETING MINUTES
December 15, 2010 COUNCIL CHAMBERS
7:30 PM

1. Invocation: Jeanette Eichenwald

2. Pledge to the Flag

3. Roll Call: D'Amore, Donovan, Guridy, Eichenwald, O'Connell, Schlossberg, and Schweyer. Mr. Dale Wiles represented for the Solicitor's office.

4. Courtesy of the Floor:

Mr. Hershman, stated that the reason why he is here is because of the Tim Darragh's article on the bid rigging. He wanted to know what years are involved. He stated that he sent a memo to Council about excess interest, it suppose to be divided for retirees, city employees that are still members of PMRS and annually it should be reported and filled out to the administration. He wanted to know if they distributed it and if they did not, it is a violation of the city's ordinance. The city ordinance says it has to be distributed.

Mr. Bennington stated that Mr. Hershman faxed this to the administration on December 14th and Mr. Strathearn at the last Budget and Finance meeting stated that they need more than 24-hours to get information.

Mr. Hershman stated that he sent it about 4-6 weeks ago and did a follow-up. He stated that he needs Council's help because before you know it New Years will start and Pension benefits could be affected.

Mr. D'Amore stated that if that is the case they will be interested and find out about it, but they have to find out if that is the case.

Mr. Bennington stated to Mr. Hershman that Mr. Strathearn will investigate since he just gave it to him today.

Mr. Donovan stated to Mr. Hershman that he does not remember opening up a letter from him on that and asked interest to what account.

Mr. Hershman stated PMRS when they get interest they divide it with the city employees. Fifty percent goes to the city and the other fifty percent goes to the city employees and city retirees.

Mr. D'Amore asked was he referring to the MMO.

Mr. Hershman stated PMRS.

Mr. Donovan asked if Mr. Hershman if he was stating that the employees were transferred to PMRS and because he is saying the PMRS has a projected rate of return there is excess interest and that was the Ordinance. He stated that he was not aware of that and he has not seen a report from PMRS.

Mr. Hershman stated that he just wants Council to help him.

Resident of Allentown (name was not given) stated that she feels money is going to many different things and how come none is for transportation. She stated that the substructure for the railroads exists why we don't have rail or light rail so that anyone can move back and forth. She stated that they have all this money for housing projects and a second class citizenry, but the people can not get to work outside of this town. Why the streets are in such horrible disrepair.

Mr. D'Amore stated that on the transportation issue, Mr. Schweyer is the Council's resident expert.

Mr. Schweyer thanked her for showing interest in public transportation. He stated that he strongly disagrees with her that they do not have public transportation. He stated that he would be happy to discuss what LANTA does. He said that she was right in terms of not having lines drawn out in a while, but is working to draw those lines out. He stated that in regards to bus schedules, they have in the last couple months hired a new organization that is coming in and redesigning all of the bus schedules, the bus signage and stops. The City of Allentown is in line to receive a significant portion of two hundred new transportation stops and bus shelters. A significant portion of 50 percent, but that number is to be determined to be divided in two counties. Allentown and Bethlehem are the two municipalities that actually sought those. We have the transportation center that was opened about three years ago. They have made a significant investment in public transportation although she has not seen them yet because they are in the process of rolling them out. He stated that he would give her his contact information after the meeting. He stated that AEDC has been approved for a \$1.4 million from the state government to improve light rail. It is not passenger rail. It is rail that would help keep jobs in the city.

5. Approval of Minutes: November 17, 2010

Approved by Common Consent

6. Old Business

None

7. Communications

Mr. Donovan stated that he would like to draw attention to his colleagues of a story in the New York Times that they can get online of the first results of the most recent Census data which has interactive maps of the changing demographic that exists around the country. If they enter 18101 or 18102 you will find that you can move around and see the mix of ethnic and racial groups in the city. A vast number of the census is very different from what Allentown used to be and is a very interesting dividing line of where the mix changes from heavily Latino versus heavily White. He urged council to take a look at that because it is quite telling and important of them to make the right policy decisions.

Prospective Nominees for President and Vice President

Mr. D'Amore stated that they received two letters under the city council rules regarding the election of President and Vice President. The process is a self nomination process and they have one nomination for President and that was for himself. He sent the letter for re-nomination for president next year and they have one nomination for vice president and that came from Mr. Peter Schweyer.

8. REPORTS FROM COMMITTEES:

Budget and Finance: Chairperson Donovan

Mr. Donovan stated that they have two items tonight that were a result of a meeting on December 8th. A future meeting has not been scheduled. They would normally meet on the 4th Wednesday of the month

which will be the 29th. He asked Mr. Hanlon if they had anything looming. He stated that they will not plan on having a meeting on the 29th, but if something comes up, they can call a meeting. He stated that they did receive the November results and his only thought is that he tracks this in a seasonal forecasting model that he uses. He is concerned that Real Estate tax may come in \$300-\$400,000 less than they expect. Earned Income could come in less even though last year they got a big deposit within the last month, but the other one is LST is way behind potentially close to \$1 million and asked Mr. Bennington did he have any thoughts. He stated that his forecast was fairly accurate last year. He stated that he is a little concerned. They made up a little bit with the sale of the tower. He stated to Mr. Bennington that in the beginning of the year they do not a report on Real Estate items that were proposed for what was for sale as opposed what did not sell to what sold and what was the final price.

Mr. Bennington stated that he did not have a chance to speak to the Finance folks.

Public Safety: Chairperson Guridy

Mr. Guridy stated that they have not met and have nothing on the agenda. They usually have their meetings the first Wednesday of every month and there is no meetings scheduled for next month.

Community and Economic Development: Chairperson Schweyer

Mr. Schweyer stated that they met this evening. The next meeting has not been scheduled. They have a number of Resolutions and one bill on the agenda. He asked if they can vote on two Resolutions that were introduced today.

Parks and Recreation: Chairperson Ray O'Connell

Mr. O'Connell stated that they have not met since the last meeting. The next meeting will be on Wednesday, January 19th at 6:30 PM

Public Works: Chairperson Schlossberg

Mr. Schlossberg stated that they had one Resolution and one Bill that they just held their meeting on and they both were forwarded favorably to full council. No meeting has been scheduled.

Human Resources, Administration and Appointments: Chairperson Eichenwald

Ms. Eichenwald stated that the committee met tonight and a future meeting has not been scheduled. They have one Resolution.

Rules, Chambers, Intergovernmental Relations and Strategy: Chairperson D'Amore

Mr. D'Amore stated no meeting and no report.

OTHER COMMITTEE REPORTS

Mr. Guridy stated that the Allentown Housing Authority has been working for a contract with the Teamsters and maintenance workers and that contract has already been drawn. They have a commissioners meeting tomorrow at 8:00 AM. The meetings are open to the public.

CONTROLLER'S REPORT

Mr. Hoffman stated that had no report, but did send an email stated that he will not be running for re-election. He stated that he has another 54 + weeks in his term and he does plan on showing up and we have oodles of things to do. He stated that his goal for the remainder of the term is to make the department stronger, do more things and make it more systemize so that when the next controller comes in that it is a well established process of what we are doing and how they are doing it. He stated that it is incredible value to the city to the internal audits and analysis that they do and he wants that to continue.

Ms. Eichenwald stated while not making a political statement, she is deeply saddened by his decision.

Mr. D'Amore stated that he mentioned to Mr. Hoffman on the phone and will say it now publicly that he received his email with great regret and reminds him that there are great opportunities to re-consider. He thanked Mr. Hoffman for the time he has served and will continue to serve with the city.

9. APPOINTMENTS:

Robin Riley-Casey, Human Relations Commission; term to extend to January 1, 2012.

Ms. Eichenwald stated that she was exceedingly pleased to introduce for Council's consideration and urge their adoption of the appointment of Robin Riley-Casey to the Human relations Commission. Ms. Robin Riley-Casey is the Director of Multicultural Life in the Multicultural Center at Muhlenberg College and is an active and involved member of the Allentown Community. It gives her great pleasure to share with them Robin Riley-Casey's own words when asked why would she be interested in this position she answered as a member of the Allentown Community she wanted to actively participate in building a community that is extremely inclusive and welcoming. She stated that she believes that her education and community involvement in fighting for social justice demonstrates her commitment to honor human rights, cross-cultural connections and positive relations. Ms. Eichenwald stated that with that she introduces for Council's consideration Robin Riley-Casey and she is exceptionally pleased that Robin Riley-Casey is with us this evening joined by Adrian Shanker also a member of the Human Relation Commission.

Mr. D'Amore stated that they would like to give an opportunity for Robin-Riley Casey to say or add anything to what Ms. Eichenwald stated.

Ms. Riley-Casey stated that she is happy and is hoping to be a part of Allentown's growth.

Mr. Schweyer thanked Ms. Riley-Casey for her willingness to serve. He stated that it is a very important board.

Resolution passed, 7 – 0

Ms. Eichenwald asked Mr. Bennington to pass this on to the Mayor that she offers the Mayor her sincere congratulations and gratitude to such a worthy choice.

Mr. O'Connell stated that he is anxiously awaiting some Recreation members for the Recreation Commission. They are in dire need and he asked for an east side representative. He asked for Mr. Bennington to pass it to the Mayor. It would be great to start the year with a full commission.

Mr. Bennington stated yes and they are also working on an EAC appointment.

Mr. Schweyer asked Mr. O'Connell how many vacancies are on the Recreation Commission.

Mr. O'Connell stated two maybe three.

Mr. Schlossberg moved to bring Bill 97 to the front and they will discuss and vote on it.

Mr. Schweyer seconded the motion.

Mr. D'Amore stated that by common consent they will move Bill 97 for consideration.

Bill 97 HSDRB

An Ordinance providing for the establishment of the Hamilton Street District Review Board; repealing Ordinance No. 12864 of the City of Allentown and all other Ordinances and parts thereof in conflict

herewith, also known as Part Seventeen, Building and Housing, Article 1729 of the Codified Ordinances of the City of Allentown.

Mr. Schreyer stated that Bill 97 was recommended favorably by a vote of 3 – 0. It created the Hamilton Mall District. This would create a panel to decide the appropriateness of façade and signage on Hamilton Street.

Mr. Donovan stated that the Ordinance describe people to be on. He asked does he assume that the Main Street Manager through the Chamber of Commerce will be one of those people.

Mr. Hefele stated that she is one of the candidates.

Mr. Donovan stated that he strongly urge that she be considered.

Ordinance passed, 7 – 0

Mr. Schlossberg asked to make a motion to bring Bill 99 forward.

Mr. Donovan seconded.

Mr. D'Amore stated by common consent and asked Mr. Hanlon to bring Bill 99 forward.

Bill 99 VAC-ORD E Carey St

Providing for the vacation of E. Carey Street from N. Ellsworth Street to the N. Fenwick Street in the Fifteenth Ward of the City of Allentown.

Mr. Schlossberg stated that it was before Public Works tonight and was forwarded favorably 3 – 0. It was a vacation of a paper street on the East side that is completely unused.

Mr. D'Amore asked Mr. Young were there are objectors.

Mr. Young stated that there were none.

Ordinance passed, 7 – 0

Mr. Schlossberg made a motion to move item 12 forward on the agenda. That is the consent agenda specifically CA-1 in the hiring of Police officers.

Mr. Guridy seconded the motion.

CA-1 Police Officer Appointments

- Brian Moore, Bethlehem, PA – effective December 17, 2010
- Jacob Wittman, Emmaus, PA – effective December 17, 2010
- Michael Good, Wind Gap, PA – effective December 17, 2010

Mr. Guridy stated that it was a fourth candidate and asked if it was taken out of the Resolution.

Mr. Hanlon stated that he refused and was no longer interested in employment.

Mr. O'Connell asked for the address of the patrolmen.

Mr. Hanlon gave Mr. O'Connell the cities that the patrolmen are from.

Mr. O'Connell asked Chief MacLean do they have a replace for Assistant Chief Howells at this point or is it still pending.

Chief MacLean stated that it is still pending.

Mr. D'Amore asked were there any comments from Council or comments from the public.

Resolution passed, 7 – 0

10. ORDINANCES FOR FINAL PASSAGE:

Bill 96 PLA.

Amends Article 130, Financial Procedures, of the Administrative Code by adding Section 130.28, State and Federally Funded Construction Projects requiring a Project Labor Agreement to be included in all construction project bids excluding architectural and engineering services having a total value equal to or in excess of Two Hundred Fifty Thousand Dollars (\$250,000) as set forth in Appendix A.

Mr. Donovan stated that it was moved forward favorably 2 – 1.

Mr. Bennington stated that the Mayor would have like to be here tonight, but he is very sick and had to go to the doctor and was not available to make it tonight.

Mr. D'Amore stated that Council appreciates it and asked Mr. Bennington to send the Mayor their well-wishes.

Mr. Jeffery Zey, President and CEO of Eastern Pennsylvania Chapter of Associate Builders and Contractors, stated that ABC members operate under the merit philosophy, believing the contracts should be awarded based on lowest responsible bidder based on the qualifications, performance capacity, and price rather than labor affiliation. PLAs are union-only project labor agreements and are discriminatory labor agreements that require companies and their employees to affiliate with a union in order to work on a construction project as those described in the Ordinance. PLAs discriminate against the 80 percent of the contractors in Pennsylvania and in the Allentown area that are merit and favor the 20 percent that elects to join the union. He stated that he is a former international labor union president. He stated that he represented unions and heard conversations like this and seen proposals like this and does not have nothing to do educational performance or local content of hiring local citizens. It is purely a mechanism designed to provide unions with a monopoly over the construction work described in the Ordinance. PLAs drive up the cost of constructions by providing premiums that would range from 16 to 41 percent. The state of New Jersey just completed the fourth of a four segment study looking at their schools and the costs that were subject to PLAs that were over \$5 million. The study found that over the last ten years PLAs caused an increase in costs in the turn \$240 million, increased construction costs and not to mention the delays that were associated with PLAs. He stated that they would ask for them to reject the agreement and would say that ABC sees that this is an important enough issue and it deprives fundamental rights that their members, the American taxpayers in the city are entitled to and is prepared to challenge this in federal court if necessary.

Mr. D'Amore thanked Mr. Zey and noted for the record that all court determinations have upheld the legality of PLAs.

Ms. Eichenwald stated to Mr. Zey that her basic point of reference and interest is what the best interest of the workers that live in the City of Allentown and asked what percentage of members of the construction trades who live in the City of Allentown are members of the union and those who are not.

Mr. Zey stated that he could not answer that, but can tell her for the state of Pennsylvania in general is 80 percent open shop and 20 percent union. In the greater Philadelphia which includes Lehigh Valley, it is approximately 85/15 percent. Beyond that the Bureau of Labor Statistics does not quantify those numbers. He stated that if she looks at construction projects that have been performed for the city over the last five or ten years the vast majority is done by open shop contractors.

Ms. Eichenwald stated that just to clarify these are the workers that live in the City of Allentown. She stated that she is not asking about those who work in the city.

Mr. Zey stated yes those who live in the city and there are contractors that are headquartered in the City of Allentown.

Mr. Steven Rohrbach stated that he is a resident of the City of Allentown, living on Main Street, and president of F.A. Rohrbach on N. 18th Street. F.A. Rohrbach is a concrete contractor that has numerous contracts with Allentown since the founding in 1972. He stated that he believes he is uniquely qualified to comment on the impact on proposed ordinance. First by providing his comment he would concede that the PSA attached does not require a contractor to have a union affiliation however the provisions embedded in the PSA does require and limit him to his current workforce of nonunion workers to make no more than 10 percent on a city contract, thus 90 percent of the individuals that he would place on the job must come from the union hall with a union as a sole exclusive bargaining representative. On a project which requires six persons which they normally do, only one of his current employees could be on the project. Thus, these provisions do not entice him to participate in a city bid project. He stated that there are two parts of the ordinances that he would like to address and when he does, please recognize in the past ten years his company has been awarded contracts or subcontracts on ten contracts that have been falling within the provision of this ordinance. The total aggregate amount of those contracts is \$5.6 million. The goal of this act is to support local employment. He stated that the city's current system does that. They have over 20 percent of their employees that are residents of the city of Allentown. He stated that he has several of them here this evening and asked for them to be recognized. He stated that they have a gentleman that has been with them for twenty-seven years a labor foreman and a certified concrete technician. He is recognized nationally for his skills. He stated that he has a certified crane operator and a safety coordinator. He has a gentleman that has been with them for six months living in the city of Allentown as a result of the stimulus project. He stated that he was hired and the city benefited from the stimulus project. He stated that they hired him to work on that project in the city. Ninety percent of the employees are from Lehigh and Northampton County. If he was part of this agreement, he would have to replace these employees with individuals from the union hall. There is no guarantee that those individuals would be from the local labor market. Two recent bids that were not in the city, but in the local area two competing union contractors were from Philadelphia and Scranton. He asked if replacing city residents with individuals from Philadelphia and Scranton is Council's idea of local labor. The financial impact, the city needs to encourage competitive bidding not restricting it. Of the ten contracts that they have, they were awarded three without another bidder. They were the only ones to bid the project. If this ordinance passes fewer merits shop people would be bidding the project limiting the pool. Union contractors will certainly fill the void and once that happens the bids are going to go up. On the bids that they were low bidders, and they were low by 17 percent, the city cannot afford that minimum increase in the public works budget.

Jill Muhlesberger, resident of Allentown, stated that she believes that their job is to find the lowest bid and best quality work for the lowest bid. She stated that they can not just segment the population and decide. She stated that they represent a certain segment of the population and there are people that are retired and working for low wages and they need their taxes to remain low and their jobs are to protect all of them by getting the lowest bid.

Chris Becker employed by a company called RO

Ripper and is a project manager/estimator for the

company said they have employed eighty to one hundred carpenters in the local area. Most of the workforce does come from the city of Allentown and Bethlehem in Lehigh County. They most recently completed the renovation to the Lehigh County Courthouse. He stated that it is his job to find work for his men. It is very important to him that they work. He stated what has him indifferent about this particular proposal is that he would be finding work for people that he does know their families and he does not know their children. He stated that he is dedicated to find work for his employees. He stated that he does ask if the provisions of this helpful to the city, what he ask if certain portions of this to be re-looked at therefore he ask for Council to suspend the vote tonight so that they could look at how his company would not be allowed to actually have people work.

Mr. Mark Snyder, president of Lehigh Valley Building Trade, he stated that he speaks to them tonight and was here last week and although he would be able to challenge or refute some of the statements in terms of savings his question is generally in a construction project, labor represents around 30-35 percent of the project so when someone says that you will save 13 – 31 percent on a project, he would like to know where the savings are coming from if the labor represents 30 – 35 percent. He stated that there has been successful Project Labor Agreements right here within the Valley. The Northampton County Prison and the Courthouse completed four or five years ago. He quoted Steven Barron from the Hampton County Controllers office, stating that the project came in under budget and on-time. They have a PLA in Reading, PA for a convention center with the same circumstances and the project cam in on-tine and under budget. The Project Labor Agreement is very similar to Allegheny County, Easton, PA; Philadelphia School District and incidentally they do pull and their labor pool is from people living in the city and do live within the Northampton County and Lehigh County. The folks working will be from your local labor pool and are highly skilled. He stated that he has people to speak about the Apprenticeship Programs and perhaps the importance of it.

Ms. Vicky Henshaw, resident of Allentown, she stated that she is the Program Manager for the Lehigh Valley Apprenticeship Initiative, a program offered to Lehigh Valley high school seniors and their agency is based out of Reading, PA. She has worked with students from the Allentown School District from 2009 – 2010. In 2009 they worked with fourteen students; thirteen of those were Allentown residents. Seven were males and seven were females. Seven Hispanics, four African Americans, and three Caucasians, three were foster children, three were involved in the juvenile probation system and five were teen parents. This past summer, they worked with nineteen residents from Allentown. One from Emmaus, fourteen were males and six females. Six Latinos and eight African Americans, four Caucasians, two Asians and one involved in the juvenile probation system and one a teen parent. They are presently working to recruit youth for their upcoming program this winter. This program is being offered to these students, in this city, in this valley because their partnership with the building trade unions makes this possible. She stated that when she started working with them, they do not even know how a building is built. When they are done after all the representatives speak to them, they have an understanding that these are life-staining wages that they can earn and be a part of. She stated that they feel strongly about this partnership. She stated that she was here on June 16th with three students from the summer program and they presented to council and one spoke on school safety and security, one spoke on recreation park, and another spoke on a skate park for Allentown.

Mr. Kevin Lot stated that he is a proud business agent of the carpenters union and he can not stand there are let the falsehoods be said. The last Wednesday, he gave them some studies on Cornell and they are not pro-union or anti-union. These studies referred to the ABC and they do not tell you who does the studies. He stated that he could get Keystone to do studies for them to make them look great. He stated that they keep talking about this 80/20 percent. He stated that what they are not telling them is that he is including all residential work. He stated that they are not talking about residential work. Watch the falsehoods the numbers are skewed. He stated that last week, he talked about fraud and how the taxpayers are being ripped off because they 1099 their employees. These guys are actually employees and they list them as sub-contractors. He stated thanked goodness the State of Pennsylvania passed Act 72 which will go into effect next year that will make this criminal.

Evan Van Nest stated that he is in the fourth year of his apprenticeship training program in the Philadelphia's Plumbers Union Local 690 and made a few comments about the training and loyalty. He stated that he served his country and when he came home he went into the construction business working on the other side and he was too fond of it and was not too sure if that is what he wanted to do for the rest of his life until an opportunity was afforded to him to join the local union out of Philly. He stated that he had no family in the local area and it is not segregated. He was an average Joe off the street and went to put in an application and got in. The things that he has been taught and he would not trade it for the world and that is what he served his country for to have the job he has today. He stated that the training program is five years long and they have to make it through the five years. They do not push you through and you are held to a very high standard. They make an honest wage and a decent way of living to provide for their selves and their families.

Mr. D'Amore asked Mr. Van Nest was he a part of the helmets to hardhats program.

Mr. Van Nest stated no, he came out on his own and jumped into doing construction. The big difference is the safety on the job and how much they care about that. It is so big. He stated that he did not see that on the other side, but would not get into it.

Mr. Alexander McPherson stated that he has been a local union worker carpenter for the local 600 for the past three years. He has been working for other construction companies in this area since 1985 (commercial companies and residential companies). He stated that he started his own work before he started working with the union three years ago. Every job he goes to there is a job even at Cumberland Gardens today. The community projects which it does not matter what color he is if he has skills he could be accepted. He stated that it does not work that way. He went to the union they accepted him. When he walked on that job they asked him for his card and then they put him with someone. For the past three years he got twins in college now that he has done by himself and he got these girls eight years ago and because of the union he is able to even though he is not working at the moment he is able to collect and send those girls to college. He stated that he is not on welfare, but they will not have Christmas because work is slow. He has walked on jobs and people would look at him and before they would give him a chance they would say they do not have work for him. He stated that when he walked on the union jobs, all they wanted to know was do you have your card and is your dues paid, are you coming to support your family and are you here to work.

Mr. Guridy stated that the job at Hanover Acre which is Overlook Drive they have an apprenticeship program there and there were minorities working there. He wanted to point that out for the record.

Mr. Hoffman stated that his concern is the costs to all of the citizens of Allentown and would this structure increase the costs of construction projects that the city enters in to. He stated that he was looking at the construction contracts and documents and the police station on Tenth Street today and thinks it is about \$450,000 and in the contract there is a prevailing wage requirement. He asked was that right. He stated that the prevailing rate is an average and it spells out wages and benefits so it covers lots of things. His concern is if the city is driving up the costs. Is the City of Allentown being mandated to be the high cost consumer when we do construction projects which do not benefit the citizenry of the city? He asked if they had an analysis of what it might cost.

Mr. Bennington stated that the PLA ordinance is for city contracts that are federally or state funded. The police building will not be a part of the PLA because it is funded by city money.

Mr. Donovan stated that most of them who were there last week know that he voted against moving this forward. His vote this evening will be no and he would like to explain why. When you have a yes/no vote with various interest groups there are going to be people that would be mad at him and some people that

would like him. His job is to look after the 108,000 people of Allentown and the taxpayers that pay the bills in the city. He stated what they have tonight is primarily a group representing labor versus residents and taxpayers of Allentown in terms of potential costs and other issues. He went through the ordinance several times and identified to him the bill is weighted in favor of union representation as mentioned this evening. Someone mentioned a couple of projects over the years have come under budget and on-time, but the question is what the final budget was because it did not mention what the competitive bid in the end. This limits competition, it assumes that one class of individuals has suitable training and there is a lot of ways that individuals do get training within a variety of trades. For most jobs there is no preclusion of what type of education you may have. Do you reach certain standards and that is what is important. He is not sure that one institution meets those standards. He believes it excludes Allentown residents from working on certain projects and has some discriminatory implications. He does believe and based on research that some projects that come from this would have had a substantial increase in costs and where they are in the city is a concern to him. He stated that we have seen in Allentown when you favor one group versus another over the residents and taxpayers in Allentown it has serious repercussions down the road. The potential fraud by employers and he is not sure if they could solve fraud issues under this particular ordinance. Fraud is at the state and federal levels and one piece of legislation is not necessarily going to fix that. He stated that he read the Cornell report quite closely and he thinks it is being misrepresented. The Cornell report discusses that a PLA works on a case by case basis and the courts have said only after a costs analysis has been done and that is not in existence in the PLA as he read it. The court argues that the government entity has the right to define rules and therefore any commercial entity could walk away if they disagree with the rules. His problem is whether the particular rules are appropriate for the city. The report talks about the advantage a PLA may have in the development of minorities and women's workforce and there are several citations in that however, what is very interesting is that is that this PLA has a ten percent representation and is not very clear about minorities and women representation, but in the report it cites a variety of other situations in other states where the minorities and women representation was far higher well over 25 percent in several cases. The report did talk about how a PLA has some advantages primarily on super projects which are some of the things that are represented where it could be seen that very close cooperation as the PLA attempts to achieve perhaps will improve the results of the project. He is not convince that those benefits will necessarily pass to the City of Allentown and he will vote no and people are going to be disappointed with him, but that is the way he has analyzed it and he feels very strong about it and hopes that his colleagues will join him in voting against this.

Ms. Eichenwald stated that she is would like to start her remarks by duck-tailing what Mr. Hoffman brought to the table and asked for a clarification from Mr. Bennington. She stated based on the notes she has in front of her that had the PLA been in existence the six projects which would have been awarded under a PLA would have cost the city \$500,000 more.

Mr. Bennington stated that all he can tell Ms. Eichenwald that there were six projects between 2008 through 2010 that cost the city \$2,746,000 total. There were several projects that were the only bidders. He does not have the other statistics. He stated that there were tab sheets provided to City Council with other specific bidders on other projects.

Ms. Eichenwald stated having looked at that it would have costs the city \$500,000 more had the PLA been in existence. She asked were there any difficulties those six projects as far as our satisfaction on the work that was achieved.

Mr. Bennington stated that he could not think of any.

Ms. Koval stated that there were no problems with the projects that were competitively bid.

Ms. Eichenwald stated that this weighs heavily on her and she feels extraordinary responsibility to be a fiduciary body for the citizens of Allentown that if the PLA would have been in existence, it would have cost

the city \$500,000 more and they just heard verification that the work that was completed was done satisfactory and met specifications and is one great concern for her. The other concern is equal opportunity and she feels it is imperative that everyone in the City of Allentown that is deemed to be a responsible participant in the workforce be given equal opportunity and they can discuss if the number of Allentown residents who are union are 15 percent or 20 percent. Whatever the number is, it appears that the overwhelming majority of the residents of Allentown are non-union members. As much as she is always pleased to listen to people that come to city council that do not live in the city, she always learns from their remarks. She is most concerned about the people that do live in this city. Not only is it equal opportunity, but economic opportunity. She is concerned about the business community. Will we be business friendly? Will we and by we she means the City of Allentown encourage economic development and encourage future contracting companies to come in to our city if they pass this ordinance. She is greatly concerned that our own city residents might be displaced in their job opportunities by those who come from other areas in the Lehigh County. She understands that Allentown is part of the Lehigh County, but she has to repeat again that her concerns are basically for equal opportunity and economic opportunity for the residents of Allentown. It is not an easy decision and in her own mind, she does not view this as anti-union. Union shops always have the opportunity to bid for projects and where appropriate if they are the lowest responsible bidder that project would be given to them. But in areas where you have a PLA it then excludes the others from the same economic opportunity. She is pleased that she heard tonight about the apprentice program from the unions and it gives her great satisfaction and hope that young people in the community that comes from a minority community will have greater opportunities, but once again she has to say for her the bottom line is what is in the best interest of the greatest number of the residents of the City of Allentown. She stated that she too read the Cornell report and have to agree with Mr. Donovan's conclusions and she will be joining Mr. Donovan in voting No for the PLA.

Mr. D'Amore stated that he has two points of information. He asked how can anyone make a determination what the potential cost increases would be based on bids that were made and about the PLA being enforced.

Ms. Koval stated that it is a very valid point. All they did was apply for the contracts that were asked for. What the tab sheets were and that is where Ms. Eichenwald is getting her numbers from.

Mr. D'Amore stated that this number is in error. There is no way to determine that the PLA would have cost even a dollar more.

Mr. Bennington stated because there was no PLA in place.

Mr. D'Amore stated that Ms. Eichenwald is injecting her opinion into this supposed cost estimate. He stated that it is no way to determine how a bid would have gone without the bid specs being into effect.

Ms. Eichenwald stated that she disagrees with that determination. The only thing that we have is the knowledge that they have. Given the knowledge that they had at the moment, the result is that it would have been \$500,000 more.

Mr. D'Amore stated that is Ms. Eichenwald's assumption based upon a perspective that she has and if she wants to make that claim it is fine, but he will not let the record stand without at least refuting that statement. There is no way to know what costs would have been with a PLA in effect unless the bids were made under the specifications of the PLA that was not in effect and Ms. Koval is nodding her head.

Ms. Eichenwald stated that she will read from what was given to her. Hence, having the PLA in place would have cost the city over \$500,000 in regards to these six contracts.

Mr. D'Amore asked Ms. Eichenwald who wrote that.

Mr. Hanlon stated that he wrote that and it was based on the bid on the digester of \$200,000 more per the union contract and there is a difference between the Rohrbach contract and the one bid with the union contract. It was \$100,000 and if you would have included the two other bids when no other union contractor bid that would have been an additional \$100,000.

Mr. D'Amore stated that this is not a union exclusive project labor agreement. Any contractor can bid on this so that is an erroneous cost estimate. He maintains that this is an erroneous cost estimate. He stated that they heard from Ms. Henshaw who lives in Allentown and her husband is a member of the plumbers union. He stated that they heard many times over course of the year from Ms. Dan Mest who is a member of the plumbers union in lives in the City of Allentown. He stated that they heard many times from Mr. Bill Derwick, Sr. who is a member of their sheet metal license local 19 and is a resident of the City of Allentown and Joe Davis who is resident of Midway Manor in the City of Allentown and is a business agent from the brick layers union. They have many individuals that live in the City of Allentown who also proudly holds union cards and they resent being told that everyone from the union lives outside the city and people that live inside the city are non-union members.

Ms. Eichenwald stated that she maintains to disagree with him. She stated that no one said that every one does not live in the city of Allentown and she stated to Mr. D'Amore that she is pleased and always willing to hear what he has to say if he disagrees with her, but she does not appreciate him saying she does not listen. She prides herself on her listening skills. She listens very carefully. If she has a different opinion that's one thing, but please don't say that she does not listen.

Mr. D'Amore stated that was the only conclusion he could come up with considering the statement that you made after we heard from union members that live in the City of Allentown.

Ms. Eichenwald stated that it could never be said that you could look at the record that she said that everyone is not a resident of the City of Allentown. She stated that she repeated over and over again that the number she heard is about 20 percent. Do not say that I do not listen, please.

Mr. D'Amore thanked Ms. Eichenwald.

Mr. O'Connell stated that his answer was answered by Ms. Koval.

Mr. Donovan stated that he wanted to focus on this cost issue for a moment because it is very interesting that the Cornell study was waved in front of them saying that PLAs are ok, but there is a distinct difference between the PLA that the report covered then the court cases that were involved and what is written. His interpretation of the report and the Professor who wrote it was that in super projects and they used large projects in Massachusetts, New Jersey and New York as examples that the courts required that and throughout certain PLAs that are analysis of costs not performed and accepted certain PLAs where a cost analysis showed that a PLA in a particular case would work and because (this is how he interpreted it) it is quite clear when you have a general contractor and have a massive project like the big dig they are massive with a lot of different trades that are involved and as someone who teaches operation he can understand how those types of massive projects require very good coordination and he could understand how on some cases a coordinated effort through some sort of labor management agreement similar of what the Germans do and European countries do would be very valuable, but this particular ordinance does not do that. This particular ordinance says no matter what you will have a PLA which means maybe in some cases there would be savings and other cases there will be not. That is a major concern to me. As someone who is looking for efficiencies for the residents and taxpayers for Allentown, he is looking for cost savings and if this would come back to him and something on a case by case basis however we are a small municipality compared to the big bid and the New York thruway and relatively to the New York educational division. He is not sure they are trying to solve problems with stuff that only works with super projects and not necessarily small projects. He stated to Mr. D'Amore

that Ms. Eichenwald was not saying no one is a member of the union. One thing that he learned as a first-time politician and a last time politician is that politics are often swayed by one or two voices. His job is to try to suspend judgment and not be persuaded by one person's argument and another person's argument. We have to say that we want every person that lives in the City of Allentown has the opportunity to work. He stated that he recognizes the interest in the union, the purpose and the unions that had great opportunities of advance in the United States and at the same time a variety of decisions that this city has felt that hurts us considerably. He likes the fact that the Cornell Professor discussed case by case. He stated that he does not like this bill because it is not that way.

Mr. D'Amore stated that more than once in this discussion there was intimation that voting in favor of this bill was being in favor of union members that live outside of the City of Allentown and being against this bill is somehow being in favor of citizens of the City of Allentown and he wanted to point out that was inauspicious claim.

Mr. Sheman Muth, Dual Temp Company on 2050 S. 12th Street, stated that Dual Temp is a non-union merit shop specializing in construction projects. This year would be his six year working for the company and he had the pleasure of working with extremely confident in the talented group of trades men and women. At their highest point they employed over 150 Lehigh Valley citizens. About two months ago he became aware of the efforts of Allentown city government was putting in pushing the Project Labor Agreement. He stated that he received a copy of the agreement and proceeded to read for the purposes of testing the agreement business logics and possible benefits local business and the taxpayers and his first realization is that it is a problem on Bill 96 and it was quickly realized after reading the section it included an explanation of what the benefits would be included and the downsides of doing it. The explanation included many benefits, but failed to include any downsides. He highlighted the downsides stating that this PLA attempts to push the notion that it is being implemented for the purpose of insuring an efficient and successful project, a project that is completed on time and within budget. The agreement infers that the only way to achieve this is by utilizing unionized labor forces. He found no conclusive evidence that suggest that if there is any correlation to the training to the union. The United States department of labor pushes a program of title of registered apprenticeship. This project pushes the concept of business owners small and large engaging in a program that helps employees develops apprentice programs for the purposes of educating employees. At Dual Temp, similar programs are implemented that are Pennsylvania State certified. Dual Temp has completed many successful construction projects and was on-time and within budget. Dual Temp successfully executed over \$30 million in locally funded prevailing wage tax projects over the course of the past five years and if this PLA was implemented he thinks that it would have been approximately \$40 million costing the taxpayers an extra \$10 million. He suggested that the Bill be tabled.

Brad Nuelle, an employee of Dual Temp, stated that he is a resident and taxpayer of Allentown and there seems to be some disagreements of some of the true costs. He has an authority source from Reconstruction Data which is an estimated cost software of the projects and the chief economist provided an article entitled stating that Project Labor Agreements will raise federal construction costs.

Chris Ingram, resident of West End Allentown for IBW Local 75, stated that the attitude that the union members represent is usually domestically motivated. They will not buy products that are made from outside the United States. They look locally and all the money he is generating in the city he is also spending in the city and hiring out of local halls will continue to make it viable for local businesses to grow. Not construction wise, but encompassing the entire market by spending the money locally.

Todd Bockman works for Dual Temp and has worked for Lehigh Valley all his life and all the money he spends stays in the Lehigh Valley. He stated if they pass this bill from what he gathers they are limiting what the local companies that are non-union can bid on and do work. If they pass the bill if they do not have work they can not bid it and get fair bidding and that would take _____ away his work and as a citizen of the Lehigh Valley

he will be laid-off. He stated that last year they passed an Ordinance in order to work in the Valley you need a Sheet Metal License to do any work in the Valley. If he has to pay for the license and they pass this bill they are limited his amount of work. Why should we have this license if you are taking away jobs you need the license for?

Resident of Allentown work for Dual Temp Company and hires students for the local Voc. Technical School and hire students directly from the high schools and community colleges and heard merit shops being accused of being criminal and immoral in the treatment of their employees. He stated that if all of that is true why limit he amount that they are having this PLA apply to. If they are that bad, then take it off because it does not make any sense to limit if they are that bad.

Jeff Herb from Rempco Incorporation which is a contractor company and the only way they would take on outside labor is if they took on a project that they could not manage by themselves. They have a unique company which is employee owned and operated. If this passes he would not bid in the City of Allentown.

Mr. Guridy stated that he is very torn with this bill because of the same issues that have been discussed earlier. He stated that every thing he is reading has not made up his mind. The first concern is about cost savings for the city. We heard \$500,000 and it would cost more. The second concern is if it has a discriminatory implication for minorities and women that make it more difficult. When they passed the Sheet Metal Ordinance that was a major concern for him as well. Tonight, he hears from several minorities in favor of the union and it throws him off and he does not know if it was designed this way or how it happened. He sees more minorities in the room then last year when they spoke about the issue. Mr. Donovan is correct; looking at the demographics of the city and the latest number from the Census it worries him that they may not have minorities. His third concern is the efficiency of the work. Is it true that labor workers do a better job than non-labor workers? If he asked the gentlemen from Rohrbach he would say he does not think so or people from Dual Temp would say no and if he asked the union leaders they would say yes. He stated that he is very torn on this. He asked do we have enough minorities and represent the population of the city. He stated no, we really don't. He thinks they have an opportunity to do something good for the city by either voting yes or no. He asked the council members to think about the citizens of the city because that is their jobs and what they elected them for.

Mr. O'Connell stated that he like Mr. Guridy wrestled with this and sees people on the non-union side and many people that he knows on the union side. He stated that he is a member of the Budget and Finance committee and they debated it last week and he did vote to favorably to bring it forward to the entire City Council. This Bill 92 PLA makes excellent points and he studied the Cornell report and other documents that were sent to him and did reading on the Internet. This Bill 92 has been probably the tougher call than he has to make all year and tougher than the EIT. The room has not been filled like this in many years. He is concerned about Allentownians and he knows what the apprenticeship program is all about. He wants Allentownians to work and he does not have a crystal ball and do not know where this bill would end up in a year. If they vote against it would it hurt the city or help the city or if they vote against it would it help the city or hurt the city. He stated that he is swayed by data, research and statistics and not swayed by emotions. He wants Allentownians to benefits from this bill and Lehigh Valley residents to benefit from this bill so he is going to vote in favor of the bill hoping that it will benefit Allentownians and Lehigh Valley residents.

Nancy Freeze stated that they are talking about free trade and her taxes are paying for everything from China which she does not see much for anything that is being made here. She asked Council is any one on Council looking to have a store in Allentown that sells American made goods which there are quite a few. She stated that they are worried about the costs that are being spent in the town they just added \$500,000 to a piece a paper that says \$250,000. She asked who is building the roads and is it PennDot. She does not see minorities on those construction sites.

Matt Hamilton, Dual Temp, worked for them for the past nine years and went to Lehigh Valley Tech. Dual Temp hired him as a co-op student and he is a non-union worker and does make a fair wage. He was able to purchase a home. They treat him fairly. They give him health benefits and a 401(k) and he thinks the bill is very unfair. He takes pride in his work and do not walk away from a job if it is unfinished. He thinks that it is unfair that he would not be able to work on these jobs.

Mr. Guridy stated that this bill is an agreement for construction projects that use state and federal funds which most of the funds are prevailing wages. If it is a project that does not receive federal funds or state funds that is open.

Ms. Koval stated that if it is federal funds and if it is state then it is prevailing wage.

Mr. Bennington stated that it would not fall under the PLA like the police station.

Mr. Guridy asked were there any occasion in the last five or six jobs that they had bids that have gotten by non-union members and what is the difference. How many were union bids and how many were not and what were the amounts of each of them. He asked were they from state and federal or from city money and only two were won by union.

Ms. Koval stated that she would not have a comparison. There were six and there were two union bids. These six involved state and federal money. They were not won by union companies, but union companies did bid on the projects.

Mr. Bennington stated that in 2008 it was \$271,000, 2009 \$381,000, 2009 \$668,000, 2009 \$634,000, 2010 \$361,000 and \$429,000 for a total of \$2,746,000 over the six jobs over the three years.

Mr. O'Connell asked out of the six how many were only one bidder.

Ms. Koval stated two.

Mr. Schlossberg made an amendment to Section 1 it reads 130.22 it should read 130.28.

Mr. Donovan seconded.

Mr. D'Amore stated that it would stand amended.

Mr. Guridy asked what the average dollar amount for the projects was.

Mr. Bennington stated that the total of the actual jobs were \$2,746,000.

Mr. Guridy made an amendment that they increase the total amount of the PLA from \$250,000 to \$350,000.

Mr. D'Amore asked was there a second. There were no second.

Ordinance passed, 5 – 2 (Eichenwald, Donovan)

11. ORDINANCES FOR INTRODUCTION:

Bill101 Rezoning

**Referred to CEDC and Allentown Planning Commission and
Lehigh Valley Planning Commission**

Rezones 413 Union Boulevard from a Limited Industrial (I-2) District to a Highway Business (B-3) District.

Bill102 Domestic Partner Legislation Referred to Human Resources, Admin and Appointments

Amending the Personnel Code by providing the same health and other employment benefits to employees and retirees with same sex domestic partners as it provides to employees and retirees with spouses.

13. RESOLUTIONS ON SECOND READING:

R56 RACP-CUMBERLAND GARDENS

Authorizes submission of a Redevelopment Assistance Capital Grant in the amount of One Million Five Hundred Thousand Dollars (\$1,500,000) in Redevelopment Assistance Capital Grant Funding to the Commonwealth of Pennsylvania for the Cumberland Gardens Redevelopment Project. It is a pass through grant, with the money going to Allentown Housing Authority, to be used towards rehabilitation and new construction at the Cumberland Gardens Project.

Mr. Schweyer stated that it was pass-through money from RACP for Cumberland Gardens, Mr. Gurdy recused himself and it was recommended favorably by 2 – 0.

Mr. Donovan asked a question about rents and capital reserves. Over time is there any money that is collected from the rents that are put aside for Capital reserve. He asked do they allow for renovations like this.

Mr. Gurdy stated not really. They get funding and it gets money in this case from the Stimulus. They can not carry a surplus.

Mr. Donovan stated that it is like a non-profit.

Resolution passed, 6 – 0 (Gurdy recused himself)

R57 CLEAN ENERGY GRANT

Authorization to submit an Alternative and Clean Energy Program Grant in the amount of Two Million Dollars (\$2,000,000) from the Commonwealth Finance Authority for a Waste to Energy Facility.

Mr. Schlossberg stated that they recommended it favorably 3 – 0.

Mr. Bennington stated it is a long-going process for eighteen months. Council has been involved and neighborhood groups are involved because the city's administration wants to do due-diligence they are going to RFP the process to give the best project possible.

Mr. Donovan stated that he was surprised given the Mayors pushing of this in the last couple of years. He appreciates Mr. Bennington comments that as a result of a variety of questions from a number of people including himself and Council that it was felt due-diligence was necessary which would include doing an RFP.

Resolution passed, 7 – 0

R58 RACP-CSC

Approval to submit a RACP grant application for Two Hundred Fifty Thousand Dollars (\$250,000) on behalf of the Community Services for Children in Redevelopment Assistance Capital Grant Funding.

Mr. Schweyer stated that it would need an amendment that he would make in a moment to increase from \$250,000 to \$500,000. This is a pass-through grant from the Commonwealth of Pennsylvania on behalf of

the Community Services for Children on the east side of Allentown. He made a motion to change the number from \$250,000 to \$500,000. It was recommended favorably 3 – 0.

Mr. Donovan seconded the motion.

Mr. D'Amore stated by common consent and asked were there any comments.

Resolution as amended passed, 7 - 0

R59 RECORDSRETENTION

Authorizes Disposition of Certain Records.

Ms. Eichenwald stated that it was recommended favorably 3 – 0.

Resolution passed, 7 – 0.

R60 TOWERONE LEASE

Authorizes the Administration to Sign a ground Lease with TowerOne Partners, LLC for the property located at 2601 S. 10th Street.

Mr. Donovan it was forwarded favorably 3 - 0. They as the city worked under the Lehigh County contract to identify working with TowerOne to identify opportunities that towers may be built in the city. This is one particular site while they gave up some potential benefits. In this particular arrangement they would have a 40/60 split with the revenue to come off the tower the city would get 40 percent and get \$100 a year. TowerOne would manage the site. He does believe that it is a nice arrangement. There would be approximately \$10,000 per carrier for the city up to six carriers and the committee felt it was a good arrangement for the city.

Mr. Schweyer stated that it is noted in the notes here that Mr. O'Connell asked if the surrounding neighbors were notified and asked was there any feedback from the surrounding neighbors.

Mr. Hilbert stated that he put himself as the contact for questions that the neighbor would have and he received none.

Mr. Guridy asked about the \$10,000 and why it was not part of the Resolution.

Mr. Donovan stated because it is an estimate and it can not be confirmed. He asked was it a range that TowerOne typically sees a minimum and a maximum.

Nicholas Pullin, TowerOne Partners, stated that there is a range and is a product of the rents and the rents are based on the market in the area and it is about \$1800 - \$2000 per month per carrier. He believes that they would be able to sustain about \$1900 amount per carrier so it will be \$750 a month times twelve. It is a little less than \$3000 than with a 3 percent annual escalator you can get to ten, eleven or twelve. If you look it up and a five year per forma of that on one carrier they are going to see closer to \$55,000 - \$60,000 just with escalation payments.

Mr. Guridy asked was it imbedded in the contract.

Mr. Pullin stated correct with the contract the city piggybacked from Lehigh County that 60/40 split and that is with every carrier that comes on the pole. They will work internally with staff to process payments to the city on a monthly basis.

Mr. Hilbert stated that the rents that Mr. Pullin has quoted are certainly in line with the rents they saw with the last carriers that went up at the Golf Course.

Resolution passed, 7 – 0

R61 RIVERFRONT RACP

Authorizes submission of a Redevelopment Assistance Capital Grant application for the Riverfront Development in the amount of Five Million Dollars (\$5,000,000) for the purpose of a pass through grant to AEDC to conduct construction activities as part of Project 2 of the Riverfront Development.

Mr. Schweyer stated that an additional \$500,000 pass-through from RACP through the city to AEDC for the next phase recommended favorably 3 – 0.

Mr. Hoffman stated that this is not specifically on this grant, but the project that has been worked on through the redevelopment is very important to the city and he hopes it all works. Part of his concern is the money flowing through AEDC. AEDC is not the city so the transparency of what goes on is somewhat less than the city doing the work. He stated that he has a good working relationship with AEDC. He audited some loan services AEDC performed for the city. They were cooperative, but it is not the city and not an authority of the city where the Charter gives his office the ability to audit. It falls into a black hole so as this project goes forward he does not know how the city would craft it so that they can have a little more insight of what is going on. It would be more public. He hopes the project is successful.

Mr. Donovan stated that Mr. Hoffman raised a really good point and since he is a council rep for AEDC he also sits on AEDC finance committee and he will tell him over the last two years with the addition staff and a CPA that sits on the committee and on the board it has been a strong effort to improve recording and referencing the group is audited and the full board votes on it and accepts the full audit. Three years ago AEDC had its issues and over the last year or year and half they made some substantial improvements. It has taken twenty years to get this far with the riverfront property and he is sure that the city and council should have some type of oversight on the specifications.

Mr. Guridy stated that he agrees with Mr. Donovan and if it would have five or ten years ago when AEDC was off-sight they would have had a bigger problem perhaps at that then they have now that it is in-house. He stated that the administration has a good handle on what is going on. He feels more comfortable and confident now that it will be put to proper use.

Mr. Schweyer stated that being familiar with the RACP process and some of the work that is being contemplated by the riverfront area he agreed with Mr. Hoffman and understands what he is getting at, but a decision has been made over the last couple of years that AEDC would be the lead agency on this redevelopment. From a straight practicality standpoint this is consistent in following through with it.

Resolution passed, 7 – 0

Mr. Schweyer stated that they are hammering out the last of the RACPs and he is going to ask to suspend the rules and put R64 and R65 to this portion of the agenda and ask them to vote on them at first reading.

Mr. Guridy seconded the motion.

R64 RACP CASA GUADALUPE

Authorizes the City of Allentown to submit an application for Five Hundred Thousand Dollars (\$500,000) Dollars in Redevelopment Assistance Capital Grant Funding to the Commonwealth of Pennsylvania for the

purpose of a pass through grant to Casa Guadalupe Center to construct the first floor of their new facility at 218-226 North 2nd Street in Allentown.

Mr. Schweyer stated that they discussed R64 and R65 and they were unofficially recommended favorably unanimously R64 was a pass-through grant RACP to Casa Guadalupe.

Resolution passed, 7 - 0

R65 SYMPHONY HALL RACP

Authorizes the City of Allentown to submit an application for Two Hundred Fifty Thousand Dollars (\$250,000) Dollars in Redevelopment Assistance Capital Grant Funding to the Commonwealth of Pennsylvania for the purpose of a pass through grant to Allentown Symphony Association to provide renovations to the Allentown Symphony Hall.

Mr. Schweyer stated that R65 is an RACP grant and it was originally given on their packet for \$250,000 and when it is read in it should be read at \$500,000 and made an amendment that the \$250,000 be increase by another \$250,000 for a total of \$500,000.

Resolution passed, 7 - 0

R62 Weed and Seed Office

Recommends retaining the Weed and Seed Offices at Bucky Boyle Park.

Mr. Guridy stated that he and Mr. Donovan introduced it. Weed and Seed was asked to close the building and move to city hall. The community is better served with the administrator at the building. The building is used by many community groups. If the administrator is not there and the building is not used according to what it was developed for they will lose it being served in the appropriate way by the staff.

Mr. Schweyer asked Mr. Bennington that sometime the Mayor stated that he does not care and reserved the decision.

Mr. Donovan stated that if Ms. Hailstone was here, she would tell you that it was a reorganization and she wants her staff accept for the Health department to be at city hall. He stated that they are ok with utilizing both facilities.

Mr. Schweyer stated that Mr. Bennington's understanding, compromise or better understanding of what was originally proposed that the Weed and Seed Coordinator will be operating out of both locations. He asked the sponsors how they feel about that.

Mr. Donovan stated that he looks at the bigger picture. He has argued that they need more community policing that is tied to the districts of the city south, east, west and central and it is sad that only one person is dedicated to the current tasks that the Weed and Seed director does and he recognizes that it has been an effort to broaden the Weed and Seed area. He stated that city hall is a fortress and in order to talk to someone you need an ID or you have to go to the board and many places in the city they do not speak a separate language. He thinks the city does a terrible job with community develop and someone needs to be dedicated by Bucky Boyle Park. He stated that he wants Ms. Alexander there.

Mr. Guridy stated that he agrees with Mr. Donovan. The community is better served by having Ms. Alexander at Bucky Boyle facility and agrees that city hall is a little bit intimidating for some people. The people in the neighborhood feels comfortable going to Bucky Boyle Park and keeping Ms. Alexander at Bucky Boyle park is the best thing for the community right now.

Ms. Eichenwald stated to Mr. Bennington that she can not think of a more inefficient way to run an office then to have two separate satellite facility and the residents that are serve by the Weed and Seed are very pleased and anxious to have Ms. Alexander stay where she is. She supports that the office remains at Bucky Boyle.

Mr. O'Connell stated that he agrees with Ms. Eichenwald and compromising with Monday, Tuesday here and Wednesday Thursday there they go astray fast. He would support and heard the people stating they want the Weed and Seed Coordinator at Bucky Boyle Park. He would say that he would vote for Ms. Alexander being at Bucky Boyle Park.

Mr. Schweyer stated that he would vote against it and feels that he owes an explanation to Ms. Alexander. He does not believe that Weed and Seed will be funded next year. He thinks that they are at a point where they will not get state funding for Weed and Seed. He personal believes that they will continue to utilize the community development functions of that office or something that looks similar to it by bringing Ms. Alexander in-house and continuing the functions and look for other alternatives throughout the city. It is a question of sustainability.

Mr. Donovan stated that he appreciates Mr. Schweyer's comments and feels that there is some logic on a couple other things. He stated that about an hour and a half ago they had an interest group come in here and basically there was a vote that has the potential of raising costs to the city. Several weeks ago there was an interest group that represents the majority of the population now. He stated that the Weed and Seed should be done down there and they are right it is a risk that state and federal funding for something like this might go away. He stated that fortunately they are doing the Domestic Partnership Bill which is a good step forward, but we have a problem in the city and we are unwilling to spend money on things that are important and if this city is going to survive and we are perfectly willing to spend money on other stuff that one or two favored interest groups are able to get council to vote for both in the last administration and here. He feels that this is extremely important and looking at 2012 when he is not here and he looks back and sees the city saying that they can not raise money and therefore we do not have anything of neighborhood coordination in this city, it would be very disappointing.

Mr. Schlossberg stated that he has nothing but the highest regard for Mr. Donovan's intellect and passion for the City of Allentown, but he asked in reference to the vote that they just took, he asked respectfully that he stop reference it to as interest group vote.

Mr. D'Amore asked every one to stick to comments on the Resolution on the table. He stated that he appreciated both of their passion, but will focus on the Resolution they have at hand.

Mr. Guridy stated for the possible that they will not get funds for Weed and Seed next year and he would say that he agrees with Mr. Donovan that they need this neighborhood to be served at least until they know if they are going to have the money or not. He stated that he have known Ms. Alexander for years and knows that she is a capable individual to do her job and knows that she can do it there or here, but he would rather have her there.

Mr. D'Amore stated that he believes that the logic has not been discussed and he thinks this is an important opportunity to look at the management structure and the department Directors particularly that they entrust a lot of authority to and give them the opportunity to manage. He stated that they bring in talented people and pay them a good wage, we are asking them to run departments and had a proposal from Community and Economic Development and there were points in the proposal that he did not liked and points in the proposal that he did like, but what he appreciated that Ms. Hailstone was ambitious enough to put together a management proposal to discuss how to run the department that she was entrusted with in a way that she thought was most efficient. He thinks that when they start to pick at certain issues they are micromanaging

and not allowing the directors to manage. He stated that he is going to vote no on this and the reason is that he admires the fact that Ms. Hailstone was ambitious enough to put forward a proposal that she felt that was going to increase the efficiency of her department as a whole.

Ms. Eichenwald stated to Mr. D'Amore that time and time again that that he disagrees with the decisions that are made by Mayor Pawlowski and the citizens of Allentown have hired the Mayor and we should trust the Mayor and yet time and time again you question that decision. She thinks the same thing applies in this case. We as the City Council members are the representatives of the citizens of Allentown. A huge number requested that Ms. Alexander maintains her office at Bucky Boyle Park. She states that they have a right to disagree with the Mayor in this particular instance if it is the best interest of the citizens that we serve. She stated to Mr. Schweyer that she certainly is concerned of course that they would lose funding, but if and when that occurs they can revisit the issue and make appropriate decisions. She urges that they place the Weed and Seed office at Bucky Boyle Park.

Mr. O'Connell asked what we are voting on.

Mr. Hanlon stated that they recommend retaining the Weed and Seed Offices at Bucky Boyle Park.

Mr. Donovan stated that it is non-binding.

Resolution passed, 4 – 3 (D'Amore, Schlossberg, Schweyer)

R63 Requests Wage Reduction

Requests the Mayor, Managing Director and Cabinet, Council and Controller reduce their wages on a voluntary basis and refer these savings to the unappropriated balance of the general fund.

Mr. Donovan stated that he thanks Mr. Schweyer and stated that it is an voluntary non-binding recommendation to the elected officials in the city to take a portion of their annual salary and provide it back to the city. He stated from a logistical point of view what he did last year was to make a specific request and it says that it would go to the unappropriated balance he would suspect that any particular member could specify or should he make an amendment to say as specified by any particular individual that would make this type of action. Given that several unions make cutbacks on their 2011 salaries as well as benefits that they as elected officials must show good faith to the citizens of Allentown and the employees of the city.

Mr. D'Amore asked Mr. Wiles if it is a donation back then when they accept the donation as City Council by Ordinance it will be then designated in that order.

Ms. Eichenwald stated that she agrees with Mr. Donovan's suggestion and admire his courage and fortitude she will be joining him and returning a portion of her salary back to the city.

Mr. O'Connell stated that he totally understands what Mr. Donovan has done, but his question is they make \$6,000 why does he have to give part of his salary back. He stated that he gives to various organizations in the city the School District, Big Brother/Big Sisters, etc. He does not want to make that public and why should he have to say yea or nay to something back 5 percent or 10 percent that he actually for years gave 2, 3 or 4 percent of his salary. He stated that he does not understand fully what this would do.

Mr. Donovan stated part of the city's budget is the City Council's salary as well as police, fire, employees and cabinet officials. He stated that the only reason why it looks like a donation is because of the charter. He stated that they heard repeatedly from residents during the budget cycle why it is an EIT increase when there are no cutbacks and if he could have he would have put in an ordinance to reduce their pay, but the charter does not allow that.

Mr. D'Amore stated that he does not have anything particular against the idea, but he shares Mr. O'Connell's thought on making this public. He asked Mr. Donovan to what good is this Resolution going to go if it should pass. He stated that what is happening here is that the seven public officials whose contribution would be the smallest are sitting and passing judgment on a Resolution effectively would obligate other individuals to donate a lot more than they would be number wise that they are donating themselves. Is acting on it fair? He would ask one public official to take a cut in pay since that public official asked others to take a cut in pay.

Mr. Guridy stated that he agrees with Mr. D'Amore and Mr. O'Connell and thinks it should be a private matter. They had an opportunity to lower the administration salary excluding the Mayor and they did not do that. He stated that this was the time for them to do that. He stated that he would not anyone to tell him how to spend his money or who to give his money to and he does give a lot of money. The biggest deduction is money that he gives out to Community Organizations and individuals.

Mr. O'Connell stated to Mr. Donovan to he does not totally disagree with the motion. He stated that what Mr. Donovan is saying is that people has given back. To the Allentown taxpayer it would be a good move to show them that we are willing to give back their meager salaries. He stated that he did not know how much they made until he got his first check in January and he does not depend on this check every two weeks, but he does understand his point.

Ms. Eichenwald stated that they agree that this is not the best way to do it, but unfortunately the budgetary process did not enable them to do it in a different fashion. She stated when you ask unions to lower their wages and the citizens of Allentown to increase the taxes that they are paying. This is one of the only ways to match those two issues. The process is not right, but the end result would show that they understand the budgetary consideration of the City of Allentown.

Mr. Schweyer stated that they are at a point where everything has been said, but not everybody said it. He stated that he takes a little exception from what Mr. D'Amore said. He is not doing this to grand stand against the Mayor or any member of the cabinet or his colleagues he is doing it for what Ms. Eichenwald said and that is because they have beaten the employees up over the past three years and because of that he wants to stand with them and it is a good faith effort and he would be the first to admit that he can not trump anyone here with any contributions, but he knows that everyone does their best. To say to the non-bargaining units to pay 7 ½ percent of their healthcare and members of the FOP and SEIU who has just taken significant concessions that it is not a lot of money, but he will stand there with them.

Mr. Donovan stated to Mr. O'Connell that he certainly understands a variety of the issues that he raised, but you started with the assumption that he would expect the same percentage and he would not. He stated that the three hundred dollars that he gave which is 7 ½ percent of his take home on this is what he can afford. He could not afford much more; he has two kids in college. He would expect any one to do what they can afford and he would never measure one person's amount he would assume that is what they could afford. He stated that he comes to this council and as they all do with his own beliefs and perspectives and what he thinks is right and he feels that they did ask a lot of the residents and employees. He stated from the budget point of view they have not made any efforts to reduce any of those pay and some have gone up. He stated that he would have been the first in calling reduction. He stated that they all know that for the last two years they have been calling for reduction in various things with no concessions. He stated that the Mayor said that he is not a leader because he can not convince his colleagues to vote on certain things. He stated that he understands because he is not persuasive and he tries to look at things in the fairest point of view that he can possible can and respect the privacy issues on the council's personal donations, but at the same time they are all paid as part of the budget of Allentown and it has been a lot of hits elsewhere within the budget as well as Allentownians and if they could at least take the perspective that this is not a donation, it is a reduction in their pay and he would expect them to do what ever they can afford.

Mr. D'Amore asked was it any other comments from council or from the public.

Mr. Donovan stated that it is non-binding.

Mr. O'Connell asked them to explain it to him again.

Mr. D'Amore stated that it is a request for a voluntary reduction and there is no specific percentage or dollar amount of the reduction.

Resolution passed, 6 – 1 (Guridy).

14. RESOLUTIONS ON FIRST READING:

15. NEW BUSINESS

Mr. Bennington wished everyone a happy holiday and a blessed New Year.

Mr. D'Amore wished Mr. Bennington a happy holiday and thanked him for staying.

16. GOOD AND WELFARE

Mr. Schweyer stated that as the only graduate from Allentown Central Catholic High School on the dais, he would like to wish his Vikings the best as they go for another state championship in football on Friday at 7:00 PM versus Bishop McDevitt at Hershey Park.

17. ADJOURNED: 10:07 PM

Council meetings are held on the first and third Wednesday of each month beginning at 7:30 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 hanlon@allentowncity.org to receive an email notice of the meetings.