

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



Allentown City Council
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COUNCIL MEETING MINUTES
December 18, 2013
COUNCIL CHAMBERS

Council Meeting – 7:00 PM

- 1. Invocation: Jeanette Eichenwald**
- 2. Pledge to the Flag**
- 3. Roll Call:** Davis, Eichenwald, Glazier, Guridy, Mota, Schweyer
Dale Wiles represented for the Solicitor's Office

4. Courtesy of the Floor

Mr. Kenneth Heffentrager, 733 N. 11th Street, stated that in the New Year we can stiffen the penalties for tagged properties that are consistently falling down. The City of Allentown should utilize Act 90 as the state intended its use. He asked that the City of Allentown remove Mohinder Kaur from their slumlord list and place a real slumlord. Look into ways to get more contractors and developers more involved in buying the properties from the Redevelopment Authority.

Mr. Rich Fegley, 1002 S. Bradford Street, stated that the City of Easton recently signed a new Waste Disposal Contract. He has been vocal about the incinerator project that the Mayor and City Council have approved for the city to build. It will be built in 2015 if approved by DEP. It has not been approved by the DEP or the state. They don't have any permits and they will not move forward with the project until they get their permits from the DEP. He discussed the tipping fees and Delta Thermo's claim to not be able to pay landfill tipping fees. He asked Council what are their thoughts on this.

Mr. Schweyer stated that the document you gave us, you missed the even numbers. That is the same document that Ms. Eichenwald emailed to us at 2:00 AM today.

Ms. Eichenwald stated that the reason that she emailed it to her colleagues is because she finds it the most significant information that we have been given to date. This is an independent and knowledgeable organization and I hope my colleagues will read this.

Mr. Lou Hershman, 405 N. Gilmore Street, stated that his concern is the city's pension fund and since you made all these revisions and now the MMO that you have to fund is only \$7.1 million and \$4 million comes from the state aid and I am sure we paid the state aid for the pension fund. We are raising more money than we need. What is Council going to do with the difference of what we are raising. Are we going to encumber the money?

Mr. Schweyer stated that we did not raise taxes. It is not just for the MMO. That money could be used for pension obligation bonds as well. There is not going to be an excess that I am aware of. There were two EIT increases. There was the Act 205 increase which is on the commuters (can be used for pension and pension obligation bonds), nonresidents and there is an additional EIT on residents and non-commuters who live in Allentown.

Mr. Lou Hershman asked Council to make the Solicitor's Opinion public.

Mr. Schweyer stated that you will have to ask Council President.

Ms. Deb Bowman stated that we do not use it for General Fund purposes. It is used for the Pension for both the MMO and the pension obligation bonds. The amount of \$7.1 million is just General Fund. It is audited for the Auditor General and also our auditors review this every year. It is not used for general purposes.

Mr. Hershman asked if the \$6 million is going into the General Fund.

Ms. Bowman stated that it is put in the General Fund for pension purposes.

Mr. Hershman stated that Mr. Schweyer stated at a special meeting that \$20 million of \$30 million outstanding.

Mr. Schweyer stated to be phased out over three years, plus our regular MMO.

Mr. Guridy stated that I think you got the answer you are talking about. We talked about it at the last Council meeting. The money is being used specifically for pension purposes.

Mr. Hershman asked Council to provide the Solicitor's Opinion on how you used the .35.

Mr. Dennis Pearson, 942 E. Tilghman Street, stated that referring to Mr. Heffentrager's comments and the way certain buildings look with stones falling off the rentals. My neighborhood group is saying are people in charge of inspecting and forcing things. They are slow to get things done. Does the city require people with mortgages to have insurance on their properties?

Mr. Guridy asked if Mr. Pearson wanted an answer if the city requires property-owners to have insurance.

Mr. Pearson stated that we do want answers to this.

Mr. Guridy stated I don't believe so.

Mr. Pearson stated in regards to Easton, it is incredible that Chrin says 44 and Allentown is 98. I know the agreement is divided up, part recyclable and part with Chrin. I don't know the reason why the thing is so big. Allentown deals indirectly with landfills and Easton is dealing directly with landfills and getting their price.

Mr. Hunsicker stated that you should look into the landfill and garage collection operation between Easton and Allentown especially with the contract you have in 2009, with the sweetheart deal. You have to look into this with more details. You can't keep losing these things. In 2009 you awarded LCA .47 per thousand gallons and that is why their rates are 2.24 per thousand gallons and Allentown is 3.10. You have to protect the citizens and you can't stop this one.

Mr. Tom Hahn, 2016 E. Highland Street, stated that he would be remised if he didn't speak when a majority of people that spoke before him at both meetings were trying to explain to the people that you hear us when we come to talk, but don't listen. The examples given tonight and even the CAFR Report says that this is based on the information that the Mayor gave us.

5. Approval of Minutes: December 4, 2013

Approved by Common Consent

6. Old Business

None

7. Communications:

Mr. Guridy stated that the Office of the City Council received Memos on intent to run for office. The Clerk's office received memos from me and Mr. O'Connell to run for president and vice president pursuant to Council Rules.

8. REPORTS FROM COMMITTEES:

Budget and Finance: Chairperson Schweyer

The Budget and Finance Committee met this evening and recommended favorable Bill 68. We were going to discuss the monthly financials, but we were unable to get to that. There was a discussion brought up by Mr. Hahn and asked Mr. Hanlon for a Legal Service Request to talk about the encumbrance of the restricted pension accounts and any payments. We received two monthly financials. The most recent and up-to-date came at the end of the day; the next meeting has not yet been scheduled.

Mr. Glazier stated that regarding the 2006 Loan Fund. This is a topic that we discussed understanding that it is a vacancy in treasury. He is still concerned the amount of interest it is allocated at is accurate.

Ms. Bowman stated that it is not and they are working to get all that stuff booked into the system.

Mr. Schweyer stated that we should expect the December reports to update and reflect accurately. There are weird fluctuations that actually decreases. We look forward to seeing the updated and accurate interest numbers.

Mr. Guridy asked are you going into the one that was just submitted.

Mr. Schweyer stated that number did not change. It would be on page 10 regardless.

Mr. Guridy stated that on the first page and you look at line 2900 – Act 511, I just want an explanation of 131 percent.

Mr. Schweyer stated Earned Income Tax, Act 205.

Ms. Bowman stated that it is money that we received. We audit that from what we get from the collector. That is what the collector is saying what we received to date.

Mr. Schweyer stated that he is still interested in the Business Privilege License question. Are we getting less new businesses then we anticipated. The difference in the new document we received on page 10 and that is the cash balance from pooled and unpooled cash accounts. When we look at the new pooled cash accounts what we see the \$5 million has been appropriately transferred into Risk Management which is a huge win for us. The General Fund reflects the funding appropriately. We are still running a negative fund in capital. I am comfortable with the pooled cash.

Public Safety: Chairperson Eichenwald

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

Community and Economic Development: Chairperson Davis

The Committee has not met since the last meeting; the next meeting has not yet been scheduled.

Parks and Recreation: Chairperson Mota

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

Public Works: Chairperson O’Connell

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

Human Resources, Administration and Appointments: Chairperson Glazier

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

Rules, Chambers, Intergovernmental Relations and Strategy: Chairperson Gurdy

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

Special Committee – Tax Exempt Properties – Chairperson Eichenwald

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

OTHER COMMITTEE REPORTS

Mr. Glazier stated that the Pension Allocation Committee met on the 9th of December and took the \$150 million and divided amongst the three pension funds: Police, Fire and O&E and the method we used to do that was according to their pension liabilities.

Controller’s Report

Ms. Koval stated that she and Mr. Schweyer met to go over the financials, nothing additional.

Managing Director’s Report

Mr. Dougherty stated that under the category of Special Events, a press release went out today concerning and inviting the public to the 15th Street Bridge Ceremony taking place this Friday at 1:00 PM on the north side of the bridge. Allentown Band will lead the procession. This Friday at 11:00 AM here in City Council Chambers the swearing in of the new Police Chief. All are welcome to attend that. Chief Hanna’s last day is tomorrow for the record. The Lehigh County Heritage Museum this Saturday will host a lecture by Malcolm Gross to discuss his recent books. He extended special recognition to president Gurdy for his assistance in challenging us to expanding our services without a financial impact. We placed a permanent used medication drop box at the 10th Street Police Station. The Eighth Street Bridge is ready to be bid by PennDot. Work will begin in early spring and one lane northbound will remain open for the initial construction. The American Parkway is 40 percent complete and we have a late 2014 opening. The Union Street Bridge is 30 percent complete. We are also looking at a completion date of 2014 and that is a full replacement bridge. We are now in talks with PennDot on the Gordon Street Bridge for a full replacement of that bridge. Tilghman Bridge will be completed after the American Parkway Bridge is completed sometime in 2015. The Albert Street Bridge, T& M is now helping us review the bids that have come in.

Mr. Gurdy asked is it any progress with the West End floods.

Mr. Dougherty stated that he does not have specific, but they were able to find funding to pay for the study. The study is still going on. We will be conducting special operations there tonight.

9. APPOINTMENTS:

None

10. ORDINANCES FOR FINAL PASSAGE:

Bill 68 Note Forgiveness

An ordinance of the Council of the City of Allentown, Lehigh county, Pennsylvania, authorizing and directing that action be taken to effectuate the forgiveness and release of all payment obligations related to the city's note designated as its Series AA of 2013 note ("note"), authorizing appropriate officers and officials to take required necessary and/or appropriate action, to bring about the forgiveness of the note, providing for severability of provisions of the ordinance, providing for the repeal of all ordinances or parts of the ordinance so far as the same shall be inconsistent, providing when this ordinance shall become effective.

Mr. Schweyer stated that this Bill was considered this evening and recommended favorably by a vote of 3 – 0.

ORDINANCE PASSED, 6 – 0

11. ORDINANCES FOR INTRODUCTION:

None

12. CONSENT AGENDA:

CA-1 Certificates of Appropriateness for Work in the Historic Districts: 944 W. Liberty St., 814 W Gordon St., 116 N. 11th St., 118 N. 11th St.

RESOLUTION PASSED, 6 – 0

13. RESOLUTIONS ON SECOND READING:

None

14. RESOLUTIONS ON FIRST READING:

R35 Act 537 Planning Module for Madison Gardens at 1227 W. Gordon Street

Mr. Schweyer stated that this is a project that we are familiar with because we approved funding for them through the CDBG process.

Mr. Hanlon stated that it was reviewed by Mr. Hefele and Mr. Young. It basically says that we have sewage capacity.

RESOLUTION PASSED, 6 – 0

R36 Recognizes next Council Meeting will take place on January 6, 2014 at 6:00 PM

Mr. Heffentrager asked how you could possibly cancel a meeting for a lack of business in the third largest city in Pennsylvania.

Mr. Guridy stated that we do it every year. We don't cancel it. We canceled the meeting on Wednesday, but having the meeting on Monday. We are basically moving the date and that will be on Monday, the 6th as opposed to Wednesday.

Mr. Schweyer stated that it is a full Council agenda and is required in our Charter that we have to have the organization on the first Monday on the New Year.

Mr. Heffentrager stated in July there was only one meeting for that month.

Mr. Schweyer stated that there will still be two meetings in January.

RESOLUTION PASSED, 6 – 0

16. GOOD AND WELFARE

Mr. Schweyer stated that he had the good fortune to meet with the folks at the St. Luke's Neighborhood Center this evening dropping off contributions of pajamas and gift certificates for the local restaurants for the kids. In the spirit of the holiday season, I know that all of us do our part and help out organizations that we are all familiar with throughout the city and helping out folks throughout this time of the year. They are still accepting until Friday when I spoke to Karen and the executive director. He stated to Jeff Glazier that it has been absolutely a pleasure working with you. You have been a backup brain for the water and sewer and your service on the pension board has been nothing short of herculean. You have been the other half along with Ms. Koval in getting through this process. You have been a tremendous public servant to us in Allentown.

Mr. Jeff Glazier thanked Mr. Schweyer. He stated that he is on the agenda for January 6th and any comments he will have at that time. It has truly been my pleasure.

Mr. Guridy stated that we all feel the same way and he will hold his comments until January 6th. He thanked everybody and said it is the last meeting of the year and we learned so much from the public and have new friends that are coming consistently to City Council and you challenge us to do a lot and we have been listening and coming forth with the challenges and we will continue to do it.

Mr. Heffentrager stated that throughout this year it has been a serious lack of his questions getting answered.

Mr. Guridy stated that all the questions you have asked I have directed them to the administration to answer. If there are questions that they have not answered, please let us know. I am thinking that you are talking to them and they are answering your question.

17. ADJOURNED: 8:01 PM

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