

**CITY OF WILKES-BARRE
PENNSYLVANIA**



CITY COUNCIL AGENDA

CITY COUNCIL

JANUARY 26, 2017

PLEDGE OF ALLEGIANCE

ROLL CALL

CONSENT AGENDA (RESOLUTIONS)

RESOLUTIONS

CONSENT AGENDA (ORDINANCES)

PUBLIC DISCUSSION

ADJOURNMENT

CITY COUNCIL
JANUARY 26, 2017

CONSENT AGENDA (RESOLUTIONS)

Authorizing the proper city officials to donate archery targets that are currently located at 31 South Hancock Street (former Weaver School), to Lonesome Road Archery.

Authorizing the proper city officials to enter into a contract with the lowest responsible bidder for the demolition of 559-561 North Pennsylvania Avenue. Payment to be made from the OECD Budget.

Authorizing the proper city officials to sign any and all necessary documents related to the sale of 59-63 Public Square, Wilkes-Barre, Pennsylvania to Albert Holdings 1, LLC (or its designee) for a sale price of \$700,000.00.

Approving the Intermunicipal Liquor License Transfer from Luzerne to Louis Weihbrecht, Outsiders Saloon, 650 South Main Street, Wilkes-Barre, PA 18701.

MINUTES

Of the Regular Session of City Council of January 12, 2017.

Of the Parking Authority of December 20, 2016.

Of the Zoning Hearing Board of December 7, 2016.

Of the Zoning Hearing Board of December 21, 2016.

CITY COUNCIL
JANUARY 26, 2017

RESOLUTIONS

Appointing Sam Troy to the General Municipal Authority.

Reappointing Elliot Silkowski to the Board of Health.

Appointing Jo Ann Jones to the Housing Authority.

Reappointing Paul Maher to the Parking Authority.

Reappointing Robert Jabers to the Parking Authority

Appointing James Conahan to the Parking Authority.

Appointing Theron Solomon, Esq. to the Planning Commission.

Appointing Rick Gazenski to the Wyoming Valley Sanitary Authority.

Appointing Kris Conwell Jones to the Zoning Hearing Board.

Appointing Patricia Unvarsky to the Zoning Hearing Board.

Reappointing John Bergold to the Zoning Hearing Board.

CITY COUNCIL
JANUARY 26, 2017

CONSENT AGENDA (ORDINANCES)

FILE OF COUNCIL NO. 20 OF 2016 – AN ORDINANCE ENTITLED “AN ORDINANCE VACATING AL ALLEY KNOWN AS GROVER LANE IN THE CITY OF WILKES-BARRE.” (SECOND AND FINAL READING)

FILE OF COUNCIL NO. 1 OF 2017 – AN ORDINANCE OF THE COUNCIL OF THE CITY OF WILKES-BARRE, LUZERNE COUNTY, PENNSYLVANIA OF NONELECTORAL DEBT BY THE ISSUANCE OF GENERAL OBLIGATION BONDS AND/OR NOTES. (FIRST READING)

CITY COUNCIL

JANUARY 26, 2017

The City Council of the City of Wilkes-Barre met in Regular Session on January 26, 2017 at 6:00 p.m., in City Council Chambers, City Hall, Wilkes-Barre, Pennsylvania for the purpose of general business.

The meeting was organized with Chairperson Beth Gilbert in the Chair.

The Pledge of Allegiance to the Flag was given.

Roll Call:

Barrett	- present
Belusko	- present
Merritt	- present
Brooks, Vice Chairperson	- present
Gilbert, Chairperson	- present

Also Present:

Darren Snyder, Controller
Ted Wampole, Administrator
Maureen Collins, Assistant City Attorney
Nicole Ference, Human Resource Director
Ron Foy, Police Commander
Bill Harris, Director of Planning and Zoning
Brett Kittrick, Finance Director
Alan Klapat, Deputy Fire Chief
Lou Lau, IT Director
Cathy Payne, Assistant City Clerk
Hank Radulski, Director Health of Service
Jim Ryan, City Clerk
Lisa Sanfilippo, Administrative Assistant
Kurt Sauer, Director of Community Development
Joyce Zaykowski, Capital Projects Program Manager

City Clerk Jim Ryan read a statement relative to Council's Rules and Procedures.

Bob Kadluboski appeared before Council relative to changing Council's rule regarding the amount of time someone can speak and late arrivals being able to address Council.

The City Clerk asked if there way anyone wishing to address Council on pending legislation.

Sam Troy, Wilkes-Barre, PA appeared before Council relative to having more time to speak, the Resolution appointing him to the General Municipal Authority and the Ordinance regarding the General Obligation Bonds and/or notes.

Mr. Ryan said that historically the Chairperson would make the call on whether or not to allow more than five minutes for a member of the public to address Council. Council in the past has never objected. At times Council has given extra approval. When Mr. Troy spoke with the City Attorney Henry today about it, he addressed a particular section of the Rules of Council and he pointed out specifically the sentence that said "Approval for said arrangements is at the discretion of City Council". He was saying City Council as a whole. So because Attorney Henry made that decision tonight, Council needs to make a motion on whether or not to give Mr. Troy extra time and how much time.

Mr. Ryan asked if anyone wanted to make a motion to grant Mr. Troy more time to address Council.

Mr. Troy's request for extra time was denied due to lack of a motion.

Bob Kadluboski, Wilkes-Barre, PA appeared before Council relative to appointments/reappointments to various boards and authorities, the Ordinance relative to the General Obligation Bonds and/or notes (Solomon Creek Wall).

John Suchoski, Wilkes-Barre, PA appeared before Council relative to the Ordinance on the General Obligation Bonds and/or notes and the appointments/reappointments to the boards and authorities.

Mr. Ryan announced that the Resolution relative to the Liquor License Transfer was removed from the Consent Agenda (Resolutions) to be voted on separately.

RESOLUTIONS

Resolution No. R0008-17 to and including the minutes appeared on the Consent Agenda (Resolutions).

RESOLUTION NO. R0008-17

Whereas, the City of Wilkes-Barre has ownership of property located at 31 South Hancock Street (Former Weaver School) and home to Keystone State games.

Whereas, various items including archery targets remain in this building.

Whereas, The Lonesome Road Archery has requested that archery targets for the Jr Olympic program be donated to them.

Now, Therefore, be It Resolved by the City Council of the City of Wilkes-Barre, that items of interest to Lonesome Road Archery be donated to them.

RESOLUTION NO. R0009-17

Whereas, the City of Wilkes-Barre is advertising for bids for the Demolition of 559-561 North Pennsylvania Avenue;

Now, Therefore, Be It Resolved by the City Council of the City of Wilkes-Barre that the proper City officials are hereby authorized to enter into a contract with the lowest responsible bidder for the Demolition of 559-561 North Pennsylvania Avenue.

Payment to be made from OECD Budget.

RESOLUTION NO. R0010-17

That, the proper City officials are hereby authorized to sign any and all necessary documents related to the sale of 59-63 Public Square, Wilkes-Barre, Pennsylvania (H9SE2-021-001) to Albert Holdings 1, LLC (or its designee) for a sale price of \$700,000.00.

MINUTES

Of the Regular Session of City Council of January 12, 2017.

Of the Parking Authority of December 20, 2016.

Of the Zoning Hearing Board of December 7, 2016.

Of the Zoning Hearing Board of December 21, 2016.

Mr. Barrett moved to adopt the Consent Agenda (Resolutions).

The motion was seconded by Mr. Belusko and adopted by the following yeas and nays vote:

Yeas Barrett, Belusko, Merritt, Brooks and Gilbert (Chairperson) – 5 – being all of the members elected to City Council.

Nays none.

RESOLUTIONS

RESOLUTION NO. R0011-17

A RESOLUTION OF THE MUNICIPALITY OF WILKES-BARRE COUNTY OF LUZERNE COMMONWEALTH OF PENNSYLVANIA, APPROVING TRANSFER OF RESTAURANT LIQUOR LICENSE # R-13164, LID #81488 INTO THE CITY OF WILKES-BARRE, LUZERNE COUNTY FROM LUZERNE.

Whereas, Act 141 of 2000 (“the Act”) which amends the Commonwealth’s Liquor Code, authorizes the Pennsylvania Liquor Control Board to approve, in certain instances, the transfer of restaurant liquor licenses across municipal boundaries within the same county regardless of the quota limitations provided for in Section 461 of the Liquor Code, if sales of liquor and malt or brewed beverages are legal in the municipality receiving the license; and

Whereas, the receiving municipality issues a resolution approving the transfer of the license outside the municipality to inside the municipality; and

Whereas, amendments to the Liquor Code stipulate that, prior to adoption of a resolution by the receiving municipality, at least one hearing be held for the purpose of permitting interested parties to state their concerns regarding the transfer of a retail liquor license into the receiving municipality; and

Whereas, on January 24, 2017 the City of Wilkes-Barre conducted a public hearing for the purpose of receiving comments and/or recommendations of interested individuals residing within the municipality with respect to the request for transfer.

Whereas, an application for transfer filed under the Act must contain a copy of the resolution adopted by the municipality approving the transfer of a retail liquor license in the municipality.

Now, Therefore, Be It Resolved that Louis Weihbrecht, Outsiders Saloon, has requested the approval of the City Council of Wilkes-Barre for the proposed transfer of a Pennsylvania Retail Liquor License to its facilities within Wilkes-Barre City with the understanding that said transfer must be approved at a later date by the Pennsylvania Liquor Control Board; and

Be It Further Resolved that City Council of Wilkes-Barre finds that the transfer of a retail liquor license into Wilkes-Barre City by Louis Weihbrecht, Outsiders Saloon, will not adversely affect the welfare, health, peace and morals of the municipality or its residents.

Be It Further Resolved, that Wilkes-Barre City approves, by adoption of this Resolution, the proposed transfer of License # R-13164, LID #81488 from Eileen Rosengrant, 347 Vaughn Street, Luzerne, PA 18709, to be located at 650 South Main Street, Wilkes-Barre, PA 18701.

Be It Further Resolved, that the license transfer is subject to approval by the Pennsylvania Liquor Control Board.

I HEREBY CERTIFY that this Resolution was approved by the Wilkes-Barre City Council at its meeting on January 26, 2017.

No motion was made to adopt the Resolution.

RESOLUTION NO. R0012-17

Whereas, Section 5:08 of the City Charter of the City of Wilkes-Barre authorizes the Mayor, with the advice and consent of City Council, to appoint members of Boards, Commissions and Authorities served by the City;

Whereas, it is the desire of the City of Wilkes-Barre to appoint the person referenced below to the General Municipal Authority of the City of Wilkes-Barre upon expiration of the term of Gerald Meehan;

Now, Therefore, Be It Resolved that the following person is hereby appointed as a member to the General Municipal Authority;

<u>Name</u>	<u>Term Begins</u>	<u>Term Expires</u>
Sam Troy	February 18, 2017	February 17, 2022

No motion was made to adopt the Resolution.

RESOLUTION NO. R0013-17

Whereas, Section 13-6 of the Code of Ordinances of the City of Wilkes-Barre authorizes the Mayor, with the advice and consent of City Council, to appoint by resolution members of the Board of Health of the City of Wilkes-Barre;

Whereas, it is the desire of the City of Wilkes-Barre to reappoint the person referenced below to the Board of Health of the City of Wilkes-Barre;

Now, Therefore, Be It Resolved, that the following person is hereby reappointed as a member of the Board of Health:

<u>Name</u>	<u>Term Begins</u>	<u>Term Expires</u>
Elliot Silkowski 128 Noble Lane Wilkes-Barre, PA 18702	February 1, 2017	December 31, 2018

Mr. Belusko moved to adopt the Resolution.

The motion was seconded by Mr. Merritt and adopted by the following yea and nay vote:

Yeas Barrett, Belusko, Merritt, Brooks and Gilbert (Chairperson) – 5 – being all of the members elected to City Council.

Nays none.

RESOLUTION NO. R0014-17

Whereas, Section 5:08 of the City Charter of the City of Wilkes-Barre authorizes the Mayor, with the advice and consent of City Council, to appoint by members of Boards, Commissions and Authorities served by the City;

Whereas, it is the desire of the City of Wilkes-Barre to appoint the person referenced below to the Housing Authority of the City of Wilkes-Barre to fill a current vacancy;

Now, Therefore, Be It Resolved, that the following person is hereby appointed as a member to the Housing Authority:

<u>Name</u>	<u>Term Expires</u>
Jo Ann Jones 305 North Main Street, Apt. 1 Wilkes-Barre, PA 18702	September 23, 2018

Ms. Gilbert moved to adopt the Resolution.

The motion was seconded by Mr. Belusko and adopted by the following yea and nay vote:

Yeas Barrett, Belusko, Merritt, Brooks and Gilbert (Chairperson) – 5 – being all of the members elected to City Council.

Nays none.

RESOLUTION NO. R0015-17

Whereas, Section 5:08 of the City Charter of the City of Wilkes-Barre authorizes the Mayor, with the advice and consent of City Council, to appoint members of Boards, Commissions and Authorities served by the City;

Whereas, it is the desire of the City of Wilkes-Barre to appoint (or reappoint) the following members to the Parking Authority of the City of Wilkes-Barre to fill several expired terms;

Now, Therefore, Be It Resolved that the following person/persons are hereby appointed (or reappointed) as members to the Parking Authority:

<u>Name</u>	<u>Term Expires</u>
Paul Maher 1 Rita Street Wilkes-Barre, PA 18702	December 31, 2018

Mr. Belusko moved to adopt the Resolution.

The motion was seconded by Mr. Merritt and adopted by the following yea and nay vote:

Yeas Barrett, Belusko, Merritt, Brooks and Gilbert (Chairperson) – 5 – being all of the members elected to City Council.

Nays none.

RESOLUTION NO. R0016-17

Whereas, Section 5:08 of the City Charter of the City of Wilkes-Barre authorizes the Mayor, with the advice and consent of City Council, to appoint members of Boards, Commissions and Authorities served by the City;

Whereas, it is the desire of the City of Wilkes-Barre to appoint (or reappoint) the following members to the Parking Authority of the City of Wilkes-Barre to fill several expired terms;

Now, Therefore, Be It Resolved that the following person/persons are hereby appointed (or reappointed) as members to the Parking Authority:

<u>Name</u>	<u>Term Expires</u>
Robert Jabers 66 Marjorie Avenue Wilkes-Barre, PA 18702	December 31, 2019

Mr. Barrett moved to adopt the Resolution.

The motion was seconded by Mr. Merritt and adopted by the following yea and nay vote:

Yeas Barrett, Belusko, Merritt, Brooks and Gilbert (Chairperson) – 5 – being all of the members elected to City Council.

Nays none.

RESOLUTION NO. R0017-17

Whereas, Section 5:08 of the City Charter of the City of Wilkes-Barre authorizes the Mayor, with the advice and consent of City Council, to appoint members of Boards, Commissions and Authorities served by the City;

Whereas, it is the desire of the City of Wilkes-Barre to appoint (or reappoint) the following members to the Parking Authority of the City of Wilkes-Barre to fill several expired terms;

Now, Therefore, Be It Resolved that the following person/persons are hereby appointed (or reappointed) as members to the Parking Authority:

<u>Name</u>	<u>Term Expires</u>
James Conahan 21 Donald Court Wilkes-Barre, PA 18702	December 31, 2019

Mr. Belusko moved to adopt the Resolution.

The motion was seconded by Ms. Gilbert and adopted by the following yea and nay vote:

Yeas Barrett, Belusko, Merritt, Brooks and Gilbert (Chairperson) – 5 – being all of the member elected to City Council.

Nays none.

RESOLUTION NO. R0018-17

Whereas, Section 22-17 of the Code of Ordinances of the City of Wilkes-Barre authorizes the mayor, with the approval of City Council, to appoint by resolution members to the City's Planning Commission;

Whereas, it is the desire of the City of Wilkes-Barre to appoint the person referenced below to the Planning Commission of the City of Wilkes-Barre to fill an expired term;

Now, Therefore, Be It Resolved, that the following person is hereby appointed as a member to the Planning Commission:

<u>Name</u>	<u>Term Expires</u>
-------------	---------------------

Theron Solomon, Esq.
51 East Lafayette Place
Wilkes-Barre, PA 18702

October 6, 2018

Ms. Gilbert moved to adopt the Resolution.

The motion was seconded by Mr. Merritt and adopted by the following yeas and nays vote:

Yeas Barrett, Belusko, Merritt, Brooks and Gilbert (Chairperson) – 5 – being all of the members elected to City Council.

Nays none.

RESOLUTION NO. R0019-17

Whereas, Article V Section 5:08 of the City Charter of the City of Wilkes-Barre authorizes the Mayor, with the advice and consent of City Council, to appoint by members of Boards, Commissions and Authorities served by the City;

Whereas, it is the desire of the City of Wilkes-Barre to appoint the person referenced below to the Wyoming Valley Sanitary Authority to fill an expired term;

Now, Therefore, Be It Resolved that the following person is hereby appointed as a member to the Wyoming Valley Sanitary Authority:

<u>Name</u>	<u>Term Expires</u>
Rick Gazenski 66 Elizabeth Street Wilkes-Barre, PA 18702	December 31, 2019

Mr. Barrett moved to adopt the Resolution.

The motion was seconded by Mr. Belusko and adopted by the following yeas and nays vote:

Yeas Barrett, Belusko, Merritt, Brooks and Gilbert (Chairperson) – 5 – being all of the members elected to City Council.

Nays none.

RESOLUTION NO. R0020-17

Whereas, Section 1401 of the Zoning Ordinance of the City of Wilkes-Barre authorizes the Mayor, with the advice and consent of City Council, to appoint by resolution residents of the City of Wilkes-Barre to serve as members of the Zoning Hearing Board;

Whereas, it is the desire of the City of Wilkes-Barre to appoint (or reappoint) the person/persons referenced below to the Zoning Board to fill several expired terms;

Now, Therefore, Be It Resolved that the following person/persons are hereby appointed (or reappointed) as members to the Zoning Hearing Board:

<u>Name</u>	<u>Term Expires</u>
Kris Conwell Jones 727 N. Washington Street Wilkes-Barre, PA 18705	January 24, 2021

No motion was made on the Resolution.

RESOLUTION NO. R0021-17

Whereas, Section 1401 of the Zoning Ordinance of the City of Wilkes-Barre authorizes the Mayor, with the advice and consent of City Council, to appoint by resolution residents of the City of Wilkes-Barre to serve as members of the Zoning Hearing Board;

Whereas, it is the desire of the City of Wilkes-Barre to appoint (or reappoint) the person/persons referenced below to the Zoning Board to fill several expired terms;

Now, Therefore, Be It Resolved that the following person/persons are hereby appointed (or reappointed) as members to the Zoning Hearing Board:

<u>Name</u>	<u>Term Expires</u>
Patricia Unvasky 21 Gore Street Wilkes-Barre, PA 18705	January 24, 2020

Mr. Merritt moved to adopt the Resolution.

The Resolution failed for lack of a second.

RESOLUTION NO. R0022-17

Whereas, Section 1401 of the Zoning Ordinance of the City of Wilkes-Barre authorizes the Mayor, with the advice and consent of City Council, to appoint by

resolution residents of the City of Wilkes-Barre to serve as members of the Zoning Hearing Board;

Whereas, it is the desire of the City of Wilkes-Barre to appoint (or reappoint) the person/persons referenced below to the Zoning Hearing Board:

<u>Name</u>	<u>Term Expires</u>
John Bergold 26 Thompson Street Wilkes-Barre, PA 18702	January 24, 2019

Mr. Merritt moved to adopt the Resolution.

The motion was seconded by Ms. Gilbert and adopted by the following yea and nay vote:

Yeas Barrett, Belusko, Merritt, Brooks and Gilbert (Chairperson) – 5 – being all of the members elected to City Council.

Nays none.

ORDINANCES

Mr. Ryan announced that the Ordinances will be voted on individually.

FILE OF COUNCIL NO. 20 OF 2016 – AN ORDINANCE ENTITLED “AN ORDINANCE VACATING AN ALLEY KNOWN AS GROVER LANE IN THE CITY OF WILKES-BARRE.” (SECOND AND FINAL READING)

Mr. Merritt moved to adopt the Ordinance.

The motion was seconded by Mr. Belusko and adopted by the following yea and nay vote:

Yeas Barrett, Belusko, Merritt, Brooks and Gilbert (Chairperson) – 5 – being all of the members elected to City Council.

Nays none.

FILE OF COUNCIL NO. 1 OF 2017 – AN ORDINANCE OF THE COUNCIL OF THE CITY OF WILKES-BARRE, LUZERNE COUNTY, PENNSYLVANIA OF NONELECTORAL DEBT BY THE ISSUANCE OF GENERAL OBLIGATION BONDS AND/OR NOTES. (FIRST READING)

Mr. Barrett asked for an explanation of taxable and non-taxable bonds.

Scott Shearer, PFM, appeared before Council to answer questions related to the General Obligation Bond. He told Mr. Barrett that a portion of the restructuring component will be tax-exempt. Traditionally tax-exempt does have a lower interest rate. So a majority of the restructuring is taxable, most of it because of the debt that we are restructuring is taxable as well. The new money component of this for the Solomon Wall Project will be tax-exempt. So of this transaction, approximately a quarter of it is tax-exempt and the balance is taxable.

Mr. Barrett asked that when something is taxable what does that actually mean to the city.

Mr. Shearer said it means that it comes at a higher interest rate.

Mr. Barrett said in the past, when this has been done, there have traditionally been different options presented. It appears as though we are looking at one option to restructure the debt. He said it appears that the city is putting everything in there and when you look at the report you provided, the city is going from having 86 million dollar liability to about 120 million dollars later on.

Mr. Shearer said after this restructuring, including the new money for the Solomon Wall project, it does come to about 126 million. He said if you present value those dollars back today, which is a common financial way of looking at it, it comes at a present value cost of about 4 million dollars. We are pushing debt out and it does come at a future value cost.

Mr. Barrett asked if the city has looked at any other options.

Mr. Shearer said right now the city's annual debt service this year is about 5.4 million and it is predicted to go up to 7.6 million even before the new borrowing for the Solomon's Wall Project. The goal was to do the borrowing for the immediate repairs for the wall and try to get a sustainable annual debt service to basically where it is right now. He said they did look at other bond issues, other note issues of the city to accomplish that goal. These were the most efficient we could do to get us to that ultimate goal. This is just one of the initiatives being considered to help with the city's finances in the future.

Mr. Barrett asked how long that 7.6 million debt service (that we are looking at for 2018) stays at that level, if we did nothing.

Mr. Shearer replied that it would stay at that level until 2027.

Mr. Barrett said he agrees that something needs to be done, but has grave concerns about taking on that large amount of debt over that period of time. He said he would like to see some other options. He said that he is not sure that the city needs to take bonds that are maturing relative soon and put them back into the mix.

Mr. Shearer said they do need to meet federal and state laws. There are certain state restrictions that we have to adhere to, that your overall debt service has to either be level or decreasing over time. So we need to make sure that if there is relief that is going to be obtained in a short term that it is consistent.

Mr. Barrett asked if there are underwriters prepared to move forward with this.

Mr. Shearer said that PNC is designated as the lead manager/underwriter in the Ordinance.

Mr. Barrett asked who would serve as legal counsel.

Mr. Shearer stated that there is bond counsel, Cozen and O'Connor and then there is an underwriters counsel as well.

Mr. Barrett pointed out that the interest paid over the term exceeds the actual principal.

Mr. Snyder asked why there is such a disparity in the totals. He said the total was about 42 million and the estimates at a maximum of 52 million.

Mr. Shearer said since 2008 many of the issuers across the Commonwealth have been entertaining these parameter Ordinances/Resolutions. Many times the pricing of the actual transaction, when you are actually locking in the interest rate, would be time to meet a board meeting date, whether it's once a month or a few times a month. With the market volatility that was occurring with the financial crisis, and even so now, these kind of parameter Ordinances allow the team to get all the documents, have them come before the board for approval, then they would get filed with the state and get approved at that time. Then we would actually price the transaction. It doesn't have to coincide with an actual board meeting date, we would pick the time that was most advantageous. Right now we are thinking that pricing would occur around mid March. That would allow for the completion of the documents and allow the Administration to continue their due diligence on fine tuning some of the cost for the Solomon Wall Project. He said that they go through all of the paperwork at the maximum levels. They have to make sure when they actually do the final pricing that not only are the interest rates below what was approved in the parameter Ordinance, but also the total amount of debt is lower at each individual maturity during the whole duration of the amortization schedule that's being proposed.

Mr. Snyder asked what the current interest rates are on the current bonds that we are refinancing.

Mr. Shearer said looking at the four different series that are being contemplated; the average is about 4.25%.

Mr. Snyder said by lowering our payment we are actually taking a higher interest rate at a longer term.

Mr. Snyder asked what the closing cost will be for this transaction.

Mr. Shearer replied that a general rule of thumb when doing a refinancing is that the issuance cost are usually around 2% of the amount being funded; in that case that would be about \$800,000. What we are modeling here, it will be about a 1% issuance cost, so around \$400,000.

Mr. Shearer said there is another alternative, where instead of restructuring and getting a consistent level all the way through for budget certainty and fiscal sustainability, we could do it for a year a two, but you will be in the same situation where it is going to go back up.

Dave Payne, PNC Bank appeared before Council relative to the General Obligation Bond Ordinance.

Mr. Snyder asked if the city keeps everything constant and cuts expenses, what would the debt service payment be in ten years.

Mr. Shearer said that is the last year that it is at 7.6 million and then in 2028 it drops down to 3.6.

Mr. Snyder asked if the city just issued a bond for the wall project for 6.5 million dollars, how much would that increase our payments.

Mr. Shearer replied that if it was done on a 20 year level basis, it might be about \$600,000 per year.

Mr. Barrett asked if there is room to borrow in case we have an emergency.

Mr. Shearer said the city has plenty of room, legal debt capacity, to borrow for emergencies or capital needs. There will still be some opportunity in the future as some of the city's other debt becomes callable to do refinancing, but as far as any other kind of major debt restructuring like this, leveling this debt out to around 5.7 million through 2038 is going to limit the ability to do future restructuring. The city will have the ability to restructure these at a later time.

Mr. Wampole mentioned that the city has an emergency situation with Solomon's Creek. So if this gives us enough room in financing to take care of the wall, that's what this will do.

Mr. Merritt said it doesn't make sense to have the interest rate go up on average from 4.25% to 5 or 6% on \$80 million dollars worth of debt.

Mr. Wampole said in order to give us some financial stability for the foreseeable future this is going to allow us to do that and to take care of Solomon's Creek Wall.

Mr. Snyder added that the fact is that the city will be paying back 38 million dollars to have 6.5 million dollars to fix the wall.

Mr. Shearer said it will also lower the rates down to a more affordable level.

Mr. Barrett asked if there were other alternatives.

Mr. Shearer told him that there were other alternatives, such as scoop restructuring where you carve out some debt service for a year or two. He said they also looked at this full restructuring at different levels.

Mr. Barrett said he would like some more time to see what other options there are.

Mr. Wampole said they looked at several alternatives and this was the best solution.

Mr. Snyder stated that he was put in office by the residents of the City to be their watchdog; to make sure their tax money is being used appropriately. He said the Administration met several times regarding restructuring the debt and did not invite him. So because of that he is against Council voting on the Ordinance until they see other alternatives.

Mr. Ryan recommended that Council pass the Ordinance on First Reading and get all questions answered before the next meeting.

Ms. Zaykowski asked what would happen if the city is fortunate to get some grant money for the Solomon Creek Wall.

Mr. Shearer said they would try to put the shortest call feature possible on the new money piece, so if you did get the grant money we would put it in escrow to be used for the fees for that respected amount of the new money series. That would lower the new money payment.

Ms. Gilbert stated for the record that the likelihood of receiving a grant after we approve financing is very small. Once you prove you can pay for something the federal government and state government usually says they won't give you money.

Mr. Wampole said that he spoke with Representative Pashinski and he said he would work with us to get LSA money or grant money to help pay off the bond.

Mr. Barrett asked if Council moves forward with the first reading, we are voting on what is here, which would mean that if we change course we would have to start all over again. So voting on this now may not be the most prudent thing to do.

Mr. Belusko and Ms. Gilbert suggested tabling the Ordinance.

Mr. Shearer said that it is not that unusual to make some changes between first and second reading of the Ordinance.

Mr. Ryan explained that if you pass it on first reading and there are significant changes it wouldn't have a second reading.

Mr. Barrett moved to **Table the Ordinance.**

The motion was seconded by Ms. Gilbert and **tabled** by the following yea and nay vote:

Yeas Barrett, Belusko, Merritt, Brooks and Gilbert (Chairperson) – 5 – being all of the members elected to City Council.

Nays none.

PRESENTATIONS BY COUNCIL MEMBERS

Mr. Belusko reported several potholes on Carey Avenue from Academy Street to Dagobert Street. He asked that Mr. Frati or Mr. Romanelli take a look at the street.

Mr. Brooks thanked the Administration for including the meeting dates in the City Calendar for the various Residents' Associations.

Mr. Brooks said it would be nice for people being appointed/reappointed to boards and authority to come to the Council meeting and introduce themselves.

Ms. Gilbert announced that the Heights Residents' Association held their first meeting of the year yesterday. They are looking to increase their membership and invite all residents of the Heights to attend the next meeting.

Ms. Gilbert asked the Administration to have someone look at the Park Place building on the corner of East South Street and Park Avenue to see if it is up to code.

PUBLIC DISCUSSION

John Suchoski, Wilkes-Barre, PA appeared before Council relative to appointing Kris Conwell Jones to the Zoning Hearing Board, refinancing, to thank Mr. Wampole for moving City Hall to Sherman Hills for Martin Luther King Day, and Wilkes-Barre being the only city in the state that is open on Martin Luther King Day.

Richard Goldberg, Wilkes-Barre, PA appeared before Council relative to permit parking on Stanley Street.

Bob Kadluboski, Wilkes-Barre, PA appeared before Council relative to parts of the video of the City Council meeting being cut out, PFM, Council's Rules and Procedures and Solomon's Creek Wall (how much will it cost).

Toni Mathis, Wilkes-Barre, PA appeared before Council to thank the Administration and Council members that participated in the Martin Luther King Day at Sherman Hills, thank the police department for their presence downtown and parking options for the active adult center.

Jessica McClay, Wilkes-Barre, PA appeared before Council relative to the duties of the General Municipal Authority.

There being no further business to discuss the meeting adjourned at 7:53 p.m.


Beth Gilbert, Chairperson

ATTEST:


Jim Ryan, City Clerk

