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COUNCIL OF THE CITY OF PHILADELPHIA
PUBLIC HEARING - COMMITTEE ON APPROPRIATIONS.

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- - -
Room 400, City Hall
Philadelphia, Pennsylvania
Wednesday, April 20, 2005, 1:20 p.m.
- - -

6 050009 - An Ordinance authorizing transfers in
appropriations for Fiscal Year 2005 within the
7 Grants Revenue Fund from the Director of Finance -
Provision for Other Grants to the Mayor's Office
8 of Information Services, the Department of
Licenses and Inspections, the Board of Trustees of
9 the Free Library of Philadelphia, the District
Attorney, the Register of Wills, and the City
10 Commissioners.

11 050010 - An Ordinance authorizing transfers in
appropriations for Fiscal Year 2005 from the
12 General Fund, certain or all City offices,
departments, boards and commissions and from the
13 Grants Revenue Fund, the Director of Finance -
Provision for Other Grants to the General Fund,
14 certain or all City offices, departments, boards
and commissions

15 050011 - An Ordinance authorizing transfers in
appropriations for Fiscal Year 2005 from the
16 Grants Revenue Fund, the Director of Finance -
Provision for Other Grants to the Special Gasoline
17 Tax Fund, the Department of Streets.

18 050012 - An Ordinance authorizing transfers in
appropriations for Fiscal Year 2005 within the
19 Water Fund from certain or all City offices,
departments, boards and commissions to certain or
20 all City offices, departments, boards and
21 commissions.

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215.561.2220 215.567.2670

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2 050015 - An Ordinance authorizing transfers in
3 appropriations for Fiscal Year 2005 within the
4 General Fund from certain or all City offices,
5 departments, boards and commissions to certain or
6 all City offices, departments, boards and
7 commissions.

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6 050231 - An Ordinance authorizing transfers in
7 appropriations for Fiscal Year 2005 within the
8 Grants Revenue Fund from the Director of Finance -
9 Provision for Other Grants to the Department of
10 Public Property.

8

9 PRESENT:

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11 COUNCILMAN RICHARD T. MARIANO, Chair
12 COUNCILMAN DARRELL L. CLARKE
13 COUNCILMAN W. WILSON GOODE, JR.
14 COUNCILMAN JACK KELLY
15 COUNCILWOMAN DONNA REED MILLER
16 COUNCILMAN JUAN F. RAMOS
17 COUNCILMAN FRANK RIZZO

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P R O C E E D I N G S

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THE CHAIRMAN: Committee on
Appropriations will now come to order.

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To my right I have the lovely
Councilwoman Donna Miller; the happy-go-lucky
Councilman Jack O. Kelly; myself, Councilman
Mariano; the studious Councilman DiCicco; and
everybody's friend, Councilman Rizzo. Put a
little levity into these meetings. All
right?

14

I said Wilson Goode. Oh, DiCicco.
All you Italians look alike. I mean, that's
what it is. Wilson Goode. I'm sorry. God.
DiCicco. It's the drugs. I'm thinking about
Frankie.

19

Okay. John -- Mr. Lithgow, will you
please read the first bill on the calender.

21

THE CLERK: Bill 050009, an
Ordinance authorizing transfers in
appropriations for Fiscal Year 2005 within
the Grants Revenue Fund from the Director of
Finance - Provision for Other Grants to the

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2 Mayor's Office of Information Services, the
3 Department of Licenses and Inspections, the
4 Board of Trustees of the Free Library of
5 Philadelphia, the District Attorney, the
6 Register of Wills, and the City
7 Commissioners.

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THE CHAIRMAN: The testimony...

9

Diane Reed, the Budget Director, is first up.

10

John, read all of them, and let her
11 testify on all of them. We're going to have
12 Mr. Lithgow read all the numbers. And Diane,
13 you can testify for all of them at once.

14

THE CLERK: Bill 050010, an
15 Ordinance authorizing transfers in
16 appropriations for Fiscal Year 2005 from the
17 General Fund, certain or all City offices,
18 departments, boards and commissions and from
19 the Grants Revenue Fund, the Director of
20 Finance - Provision for Other Grants to the
21 General Fund, certain or all City offices,
22 departments, boards and commissions.

23

Bill 050011, an Ordinance
24 authorizing transfers in appropriations for
25 Fiscal Year 2005 from the Grants Revenue

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2 Fund, the Director of Finance - Provision for
3 Other Grants to the Special Gasoline Tax
4 Fund, the Department of Streets.

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Bill 050012, an Ordinance
6 authorizing transfers in appropriations for
7 Fiscal Year 2005 within the Water Fund from
8 certain or all City offices, departments,
9 boards and commissions to certain or all City
10 offices, departments, boards and commissions.

11

Bill 050015, an Ordinance
12 authorizing transfers in appropriations for
13 Fiscal Year 2005 within the General Fund from
14 certain or all City offices, departments,
15 boards and commissions to certain or all City
16 offices, departments, boards and commissions.

17

Bill 050231, an Ordinance
18 authorizing transfers in appropriations for
19 Fiscal Year 2005 within the Grants Revenue
20 Fund from the Director of Finance - Provision
21 for Other Grants to the Department of Public
22 Property.

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THE CHAIRMAN: Okay. Miss Reed, go
24 ahead. Thanks for your patience.

25

BUDGET DIRECTOR: Thank you very

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2 much. I am Diane Reed, Budget Director.

3

4 Good afternoon, Councilman Mariano

5 and members of the Appropriations Committee.

6 I am here before you today to testify on

7 Bills 050009, 10, 11, 12, 15. And we had

8 planned testimony from another person on

9 050231, which is Fran Dougherty. So, he'll

10 probably step forward for that one, but I can

11 do the rest.

12 THE CHAIRMAN: When he gets here

13 we'll do him.

14 BUDGET DIRECTOR: Okay. Right.

15 Bill 050009 is the transfer of

16 Fiscal Year 2005 General Fund Grants Revenue

17 Fund transactions for the mid year transfer

18 ordinance.

19 The bill requests a transfer of 6.4

20 million from the Director of Finance

21 provisions for other grants to the Mayor's

22 Office of Information Services, Department of

23 Licenses and Inspections, Board of Trustees

24 of the Free Library of Philadelphia, District

25 Attorney, Register of Wills, and City

Commissioners.

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Much of this covers productivity bank loans and the required appropriations necessary to release the funds for this.

In addition, there is a transfer of \$600,000 to appropriate funding received from FEMA for the... to appropriate funding -- excuse me -- received from FEMA for the demolition and landscaping of four homes in the Eastwick section of the City.

Also, the Board of Trustees of the Free Library is requesting a million and a half to allow for the reappropriation of surplus generated from state grants received later than expected and will be used for purchasing books and other reading materials.

The last item of major consideration is the City Commissioners' request for a million a hundred fifty-nine thousand dollars, to allow for reimbursement under the Help America Vote Act which is part of Title III requirements for poll office training, polling place accessibility, provisional voting, and voter education.

And this enables the City

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2 Commissioners to comply with the Act, and
3 also makes available to them \$20 million of
4 federal grant money.

5 Bill 050010 is the mid year transfer
6 ordinance in the General Fund.

7 As shown in Exhibit A, there are a
8 total of 31 transfers in this ordinance,
9 including 28 which are a net change in
10 department appropriations, and three that are
11 between classes within a department.

12 The largest is a \$9 million increase
13 for the First Judicial District which is a
14 transaction that usually occurs in the
15 year-end transfer ordinance, but the Judicial
16 District asked us to put it in the mid year
17 this year.

18 The ordinance also contains an
19 increase of three and a half million dollars
20 for Philadelphia Prison System because of the
21 higher than anticipated inmate census.

22 And there is an appropriation of
23 \$3.3 million to cover expenses of increased
24 fuels in the Office of Fleet Management of
25 the Managing Director's Office.

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And there is a request in appropriations for the indemnities portion of the Director of Finance budget for \$2 million to cover increased indemnities cost.

There's also a \$650 million appropriation request for the Department of Public Property, to cover a number of categories. And these all pertain to space rental.

The bill also covers about \$600,000 for the Department of Human Services Office of Emergency Shelters for class 100.

A lot of this has to do with the increase in the labor negotiation -- labor agreements this year.

And there is a over \$400,000 increase for the Mayor's Office of Information Services, partly from the recent labor awards, and some for cost of the Federal probe, and also the HIPAA mandated requirements for the IG system.

The City Planning Commission request is \$300,000. Relates to the labor contracts.

Procurement also has an increase, a

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2 rate of about \$50,000, relating to labor
3 contracts. And also 137 for legally mandated
4 advertising.

5 The Board of Trustees of the Library
6 is asking for 152,000, approximately, to
7 cover the purchase of books, et cetera, and
8 \$300,000 for the Director of Finance to fund
9 the City's commuter benefit program.

10 And one other of note is a Class
11 300, 400 appropriation of about \$120,000 for
12 the Fire Department, which restores funding
13 for the Initiative for City Warehousing
14 Project which did not go forward.

15 The remaining departments increases
16 all relate to Class 100 costs due to the
17 labor negotiations.

18 Bill 050011 is the transfer
19 ordinance for fiscal 2005 special gasoline
20 fund. And it requests one transfer of
21 790,000 between the Grants Revenue Fund in
22 the Director of Finance's budget, to the
23 Department of Streets.

24 The increase is for \$300,000 in
25 Class 200 money which will be used for street

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2 lighting, lamp repair and maintenance costs.

3 Bill 050012 is the fiscal 2005 water
4 fund mid year transfer ordinance request
5 which is a request for 116,000, really just a
6 hair under 117,000 for items within the water
7 fund. And this also will go toward paying
8 the cost of the labor contracts.

9 And on Bill 050015, this is a
10 non-administration bill which transfers 15.6
11 million in appropriations from fiscal 2005
12 Class 200 purchase of service accounts to the
13 Civil Service Commission Class 100 personal
14 services in the General Fund.

15 The administration does not support
16 these transfers. Ten departments included in
17 the bill are receiving additional Class 200
18 funding in the bill, the mid year transfer
19 ordinance bill, 050010.

20 For example, the prison system's
21 request for three and a half million dollars
22 in bill 10, ending in 10, covers the census
23 costs, higher inmate census costs and.

24 The Streets Department, \$1.1 million
25 request for Class 200 in Bill 10 covers

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2 additional costs associated with increased
3 sanitation tonnage.

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5 The transfer of these Class 200
6 funds would have an immediate impact on
7 service delivery, in the City's ability to
8 provide high quality City services.

9

10 While all the departments in the
11 bill are present to discuss in detail the
12 service impact, we have a few other examples
13 we wanted to mention.

14

15 The \$1.3 million transfer from Human
16 Services would eliminate the prison's ability
17 to prevent overcrowding. Currently overflow
18 inmates are housed in Delaware County.

19

20 Without this funding, the City would
21 be required to hold three inmates in a cell
22 or house inmates in gyms or day rooms.

23

24 These actions would completely
25 compromise the City's ability to provide
26 safety to inmates for prison employees.

27

28 In addition, the transfer of 440,000
29 from the Department of Public Property
30 utilities would prevent the City from making
31 necessary utility payments to P.G.W.,

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2 P.E.C.O., and Trigen for power.

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And lastly, the proposed transfer of over a million dollars from the Department of Public Health would impact the City's ability to continue operations at the Philadelphia Nursing Home, and will threaten the availability of contracted medical care and pharmacy services.

We have forwarded testimony from affected departments. And at the time these were originally transferred to Council, mostly in March, the departments had calculated the effective impact on their budget because while the 1.7 percent is being taken out at a gross level for the whole year, it's having a much more dramatic effect at the end of the year, where in some cases all of the money has already been spent or it will have, you know, a huge impact just in the last couple months.

So, we think that this is not in the best financial interest of administering these various departments, and we ask that this bill not be approved.

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THE CHAIRMAN: Excuse me for not
paying attention. What one was that you were
talking about?

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BUDGET DIRECTOR: This was 050015.

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THE CHAIRMAN: All right. We're
going to hold that at the request of the
sponsor. Okay?

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BUDGET DIRECTOR: Okay.

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THE CHAIRMAN: The sponsor is not
here today. He's out of the country. We're
going to hold it.

13

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BUDGET DIRECTOR: Okay. Well, I've
pretty much completed my testimony on that.
I don't know if Fran Dougherty is here to do
050231. I don't see him. Oh, here is.

17

THE CHAIRMAN: There he is.

18

BUDGET DIRECTOR: There he is.

19

MR. DOUGHERTY: Good afternoon.

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21

Francis Dougherty, Special Assistant to the
Managing Director.

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THE CHAIRMAN: Fran, were you fixing
the air conditioning? That's why you were
late?

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MR. DOUGHERTY: That's right.

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THE CHAIRMAN: That's what I
thought. Thank you.

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MR. DOUGHERTY: Good afternoon. I'm
here today to testify on Bill Number 050231,
which transfers approximately \$624,662 from
Finance, unanticipated grants, to the
Department of Public Property.

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This represents the transfer of
monies for the Housing Mitigation Grant
Program from the Pennsylvania Emergency
Management Organization for the buy-out of
homes in the Eastwick section of
Philadelphia.

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In the aftermath of Hurricane Floyd,
the Federal Emergency Management Agency,
through their local agency PEMA, offered
residents of the Eastwick section of
Philadelphia an opportunity to participate in
Hazard Mitigation Grant Program.

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The grant program is FEMA's most
effective form of mitigation. It makes
FEMA's funds available to purchase property
in flood-prone areas, and dedicates these
properties for use as open space for all

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2 time.

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4 The program enables the
5 municipalities to remove people from harm's
6 way forever. In that way, it reduces future
7 emotional and financial costs associated with
8 the City's disaster's response recovery and
9 repair.

10 After five years of working with
11 community and elected officials, 4 homes out
12 of an original 72 have been chosen to
13 participate in this completely voluntary
14 program.

15 These homes are twins and are
16 located at 7313, 7915 Lindbergh Boulevard and
17 7917 and 7919 Lindbergh Boulevard.

18 The ordinance before you authorizes
19 the Department of Public Property to spend
20 federal and state dollars to acquire these
21 four homes and return the land to green
22 space.

23 The Department of Public Property
24 will retain title to these properties.

25 This concludes my testimony. I am
open for questions.

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BUDGET DIRECTOR: I would like to add that we do ask for the suspension of the rules for 09, 10, 11, 12 and 050231.

THE CHAIRMAN: We hear you. We'll do that.

Any questions for either of these witnesses from the committee?

(No response.)

THE CHAIRMAN: And let me say that Councilman Clarke and Councilman Ramos... They're still here. Clarke's still here. They just got here a couple minutes ago. So they joined us.

Go ahead. Questions?

(No response.)

Nobody? Listen: You guys are lucky.

MR. DOUGHERTY: Thank you.

THE CHAIRMAN: Fran, when's the air conditioner going to work?

MR. DOUGHERTY: Ask the...

THE CHAIRMAN: You don't have to answer that.

MR. DOUGHERTY: ...Commissioner.

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Thank you.

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Seeing no questions, that closes the

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public hearing.

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(Public hearing concluded at 1:34

6

p.m.)

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CERTIFICATE

I HEREBY CERTIFY that the proceedings and evidence are contained fully and accurately in the stenographic notes taken by me upon the public hearing of The Philadelphia City Council, taken on April 20, 2005, and that this is a true and correct transcript of same.

DAVID A. DEIK, RPR and
Commissioner of Deeds

(The foregoing certification of this transcript does not apply to any reproduction of the same by any means, unless under the direct control and/or supervision of the certifying reporter.)

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 COUNCIL OF THE CITY OF PHILADELPHIA
 PUBLIC MEETING - COMMITTEE ON APPROPRIATIONS.

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 Philadelphia, Pennsylvania
 Wednesday, April 20, 2005, 1:34 p.m.
 - - -

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2 050015 - An Ordinance authorizing transfers in
3 appropriations for Fiscal Year 2005 within the
4 General Fund from certain or all City offices,
5 departments, boards and commissions to certain or
6 all City offices, departments, boards and
7 commissions.

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6 050231 - An Ordinance authorizing transfers in
7 appropriations for Fiscal Year 2005 within the
8 Grants Revenue Fund from the Director of Finance -
9 Provision for Other Grants to the Department of
10 Public Property.

8

9 PRESENT:

10

11 COUNCILMAN RICHARD T. MARIANO, Chair
12 COUNCILMAN DARRELL L. CLARKE
13 COUNCILMAN W. WILSON GOODE, JR.
14 COUNCILMAN JACK KELLY
15 COUNCILWOMAN DONNA REED MILLER
16 COUNCILMAN JUAN F. RAMOS
17 COUNCILMAN FRANK RIZZO

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P R O C E E D I N G S

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THE CHAIRMAN: We will now move into
the public meeting.

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And by the way, everybody that
wanted to testify, we have your written
statements. We'll put that in the record,
because of the air conditioning shortage
today.

12

We're moving to the public hearing.

13

The Chair recognizes Councilman Goode for a
bill motion 050009.

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COUNCILMAN GOODE: Thank you, Mr.

16

Chairman.

17

I move that Bill Number 050009 --

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THE CHAIRMAN: We're going to have
to have quiet so the stenographer can hear
what we have to say. I'm sorry, but that's
the way it is. So, talk outside.

21

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COUNCILMAN GOODE: Thank you, Mr.

23

Chairman.

24

I move that Bill 050009 be reported
out of committee with a favorable

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1
2 recommendation, that the rules of Council be
3 suspended so as to permit first reading at
4 our next Council session.

5 UNIDENTIFIED COUNCIL PERSON:

6 Second.

7 THE CHAIRMAN: It has been moved and
8 seconded.

9 All those in favor?

10 (Chorus of "ayes.")

11 THE CHAIRMAN: All those opposed,
12 no.

13 (No response.)

14 THE CHAIRMAN: It passes.

15 The Chair recognizes a motion for
16 Bill Number 050010.

17 COUNCILMAN GOODE: Thank you, Mr.
18 Chairman.

19 I move that Bill 050010 be reported
20 out of committee with a favorable
21 recommendation, that the rules of Council be
22 suspended so as to permit first reading at
23 our next Council session.

24 UNIDENTIFIED COUNCIL PERSON:

25 Second.

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THE CHAIRMAN: It has been moved and seconded that Bill Number 050010 be reported out of committee with a favorable recommendation, and further recommendation that the rules of Council be suspended so as to permit first reading at our next Council session.

All in favor say aye.

(Chorus of "ayes.")

THE CHAIRMAN: All opposed?

(No response.)

THE CHAIRMAN: Seeing none, that passes.

Councilman Goode. The Chair recognizes Councilman Goode for a motion on 11.

COUNCILMAN GOODE: Mr. Chairman, I move that Bill 050011 be reported out of committee with a favorable recommendation, and a suspension of rules so as to permit first reading at our next Council session.

UNIDENTIFIED COUNCIL PERSON:

Second.

THE CHAIRMAN: It has been moved and

1
2 seconded that Bill Number 050011 be reported
3 out of committee with a favorable
4 recommendation, and a further recommendation
5 that the rules of Council be suspended so as
6 to permit first reading at our next Council
7 session.

8 All in favor say aye.

9 (Chorus of "ayes.")

10 THE CHAIRMAN: Those opposed nay.

11 (No response.)

12 THE CHAIRMAN: The ayes have it.

13 The bill passes with a suspension of the
14 rules.

15 The Chair recognizes Councilman

16 Goode for 12.

17 COUNCILMAN GOODE: Thank you, Mr.

18 Chairman.

19 I move that Bill 050012 be reported
20 out of committee with a favorable
21 recommendation, and a suspension of rules so
22 as to permit first reading at our next
23 Council session.

24 COUNCILMAN KELLY: Second.

25 THE CHAIRMAN: It has been moved and

1
2 seconded that Bill Number 050012 be reported
3 out of committee with a favorable
4 recommendation, and further recommendation
5 that the rules of Council be suspended so as
6 to permit first reading at our next Council
7 session.

8 All those in favor say aye.

9 (Chorus of "ayes.")

10 THE CHAIRMAN: Opposed?

11 (No response.)

12 THE CHAIRMAN: Seeing none, it
13 passes with a suspension of the rules.

14 Councilman Goode, for 050231.

15 COUNCILMAN GOODE: Thank you, Mr.
16 Chair.

17 I move that Bill 050231 be reported
18 of committee with a favorable recommendation
19 and suspension of the rules so as to permit
20 first reading at our next Council session.

21 THE CHAIRMAN: It has been moved and
22 seconded that Bill Number 050231 be reported
23 out of committee with a favorable
24 recommendation, and a further recommendation
25 that the rules of Council be suspended so as

1
2 to permit first reading at our next Council
3 session.

4 All in favor say aye.

5 (Chorus of "ayes.")

6 THE CHAIRMAN: Opposed?

7 (No response.)

8 THE CHAIRMAN: Seeing none, it
9 passes, with a suspension of the rules.

10 And this concludes the public
11 meeting of the Appropriations Committee.

12 Thank you very much.

13 (Public meeting concluded at 1:38
14 p.m.)

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CERTIFICATE

I HEREBY CERTIFY that the proceedings and evidence are contained fully and accurately in the stenographic notes taken by me upon the public meeting of The Philadelphia City Council, taken on April 20, 2005, and that this is a true and correct transcript of same.

DAVID A. DEIK, RPR and
Commissioner of Deeds

(The foregoing certification of this transcript does not apply to any reproduction of the same by any means, unless under the direct control and/or supervision of the certifying reporter.)