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COUNCIL OF THE CITY OF PHILADELPHIA

3

COMMITTEE ON FINANCE

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Room 400, City Hall
Philadelphia, Pennsylvania
Thursday, March 9, 2006
9:15 a.m.

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PRESENT:

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COUNCILWOMAN JANNIE BLACKWELL

COUNCILMAN FRANK DiCICCO

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COUNCILMAN W. WILSON GOODE, JR.

COUNCILMAN MICHAEL A. NUTTER

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COUNCILMAN JUAN RAMOS

COUNCILWOMAN BLONDELL REYNOLDS BROWN

13

COUNCILWOMAN MARIAN B. TASCO

14

COUNCILMAN JAMES F. KENNEY

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BILL 050661 - An ordinance authorizing the
creation of a loan or loans to provide funds
for and toward various capital municipal
purposes; authorizing the Mayor, City
Controller and City Solicitor or a majority of
them to sell bonds at public or private
negotiated sale...

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COUNCILWOMAN BLACKWELL: Now

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the Committee on Finance is being called

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into order. We're being called to order

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with regard to Bill No. 050661, and we

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will ask the Clerk to read the title of

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this bill, Bill No. 050661. As you know,

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this will be our third hearing with

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regard to this capital budget issue.

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Clerk?

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THE CLERK: Bill No. 050661, an

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ordinance authorizing the creation of a

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loan or loans to provide funds for and

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toward various capital municipal

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purposes; authorizing the Mayor, City

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Controller and City Solicitor or a

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majority of them to sell bonds at public

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or private negotiated sale; setting forth

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the capital purposes and the amounts for

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which the proceeds of the loan or loans

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will be expended, including reimbursement

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of City capital expenditures.

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COUNCILWOMAN BLACKWELL: Thank

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you very much.

25

Certainly we invite anyone who

1 3/9/06 - FINANCE - BILL 050661
2 would like to come forward with regard to
3 testifying on this bill and if you're
4 prepared to take any questions. We note
5 that this is the third hearing. We held
6 hearings on February 16, 2006 and March
7 6, 2006 to consider the issues relative
8 to this capital budget bill, and there
9 are still issues that have not been
10 resolved to the satisfaction of my
11 colleagues.

12 We note that we do have a
13 quorum. To my right is Councilman W.
14 Wilson Goode. To his right, Councilman
15 Juan Ramos. We have Councilman Frank
16 DiCicco, Councilwoman Marian Tasco,
17 Councilman Michael Nutter and
18 Councilwoman Blondell Reynolds Brown, who
19 are here, and we thank them all for
20 helping us to certainly have a quorum and
21 to try to get this issue heard before we
22 enter into our regular Council session.

23 We invite you, Mr. Jannetti, if
24 you would like to testify, to identify
25 yourself and testify.

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2 MR. JANNETTI: Good morning,
3 Councilwoman and members of the
4 Committee. I'm Vince Jannetti, Acting
5 Finance Director of the City here on this
6 continuation hearing for Bill 050661.

7 When we were here on Monday,
8 there were some questions from some folks
9 in the Administration who weren't here,
10 and they're here today, so we would be
11 happy to answer any questions the
12 Committee has.

13 COUNCILWOMAN BLACKWELL: Thank
14 you very much.

15 I will note, Mr. Goode, there
16 is a letter in our packet with response
17 to your concerns.

18 Are there questions from
19 members of the Committee?

20 Councilman Nutter.

21 COUNCILMAN NUTTER: Madam
22 Chair, thank you.

23 COUNCILWOMAN BLACKWELL: You're
24 welcome.

25 COUNCILMAN NUTTER: Just a

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2 couple questions.

3 Mr. Jannetti, I was not here
4 the other day, but I know this issue has
5 been heard before. I think I was at that
6 hearing. You were at the witness stand
7 in a different capacity a couple days
8 ago.

9 What, if any, new process has
10 been put in place with regard to -- this
11 is the type of financing that will
12 require the offering of bonds; is that
13 correct?

14 MR. JANNETTI: That is correct,
15 Councilman.

16 COUNCILMAN NUTTER: Or the sale
17 of bonds; is that correct?

18 MR. JANNETTI: That is correct,
19 Councilman.

20 COUNCILMAN NUTTER: And a
21 series of various financial and other
22 professionals will have to be assembled
23 to effectuate that transaction; is that
24 right?

25 MR. JANNETTI: That is correct.

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2 COUNCILMAN NUTTER: Has the
3 Administration put together, since a lot
4 of this discussion emanated from last
5 year, a new system or plan or Executive
6 Order, anything that deals with that?

7 MR. JANNETTI: The
8 Administration is working on a process,
9 an Executive Order, to address the
10 formulation of bond teams. We are not
11 quite there yet. There are some issues
12 that have to be resolved. We're working
13 with the Law Department.

14 COUNCILMAN NUTTER: When do you
15 expect that to be completed?

16 MR. JANNETTI: As soon as
17 possible, Councilman. I'm hoping in the
18 next couple of weeks we're going to be
19 done with this.

20 COUNCILMAN NUTTER: This is the
21 ballot question for the FY06 --

22 MR. JANNETTI: '06.

23 COUNCILMAN NUTTER: -- capital
24 budget, right?

25 MR. JANNETTI: Yes, sir.

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2 COUNCILMAN NUTTER: Can you put
3 back for us on the record, there's an
4 outstanding issue, as I recall, from the
5 FY05 capital budget?

6 MR. JANNETTI: I believe
7 there's an issue with the \$7 million of
8 ITEF money.

9 COUNCILMAN NUTTER: Yes. Lay
10 out for us again, what happened there?

11 MR. JANNETTI: The '05
12 authorization as originally presented
13 was -- I actually forget the amount of
14 money -- was \$60-some million, and \$7
15 million was added to that --

16 COUNCILMAN NUTTER: To a
17 process that is allowed by the Home Rule
18 Charter?

19 MR. JANNETTI: Correct. And so
20 the discussion centers around how we're
21 going to spend that money, what we're
22 going to do with that money.

23 COUNCILMAN NUTTER: Right. And
24 this all emanates from a funding process
25 that has exists for however long it's

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2 existed where a certain amount of funds
3 are allocated to City Council for capital
4 expenditure?

5 MR. JANNETTI: That's correct,
6 Councilman, but I think the issue is our
7 ability to use capital dollars shrinks
8 should everything shrink with it.

9 COUNCILMAN NUTTER: I
10 understand. So that issue is unresolved
11 and now on top of it, we have this bond
12 offering. This question came up once
13 again. This is a second bill for the
14 FY06 capital budget question?

15 MR. JANNETTI: I believe this
16 is still the first, I believe.

17 COUNCILMAN NUTTER: Isn't this
18 the same bill that failed last spring or
19 last fall?

20 MR. JANNETTI: You're correct,
21 Councilman. I'm sorry.

22 COUNCILMAN NUTTER: So this is
23 the second version of that?

24 MR. JANNETTI: Yes.

25 COUNCILMAN NUTTER: Last

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2 question. Yesterday I believe in a
3 different hearing an issue arose with
4 regard to another borrowing, upwards of
5 \$80 million for --

6 MR. JANNETTI: JJC?

7 COUNCILMAN NUTTER: The Youth
8 Study Center?

9 MR. JANNETTI: Yes, sir.

10 COUNCILMAN NUTTER: Right. Is
11 that correct?

12 MR. JANNETTI: Is what?

13 COUNCILMAN NUTTER: Is there an
14 \$80 million borrowing anticipated for the
15 Youth Study Center?

16 MR. JANNETTI: Well, that's
17 subject to legislation from Council, but,
18 I mean, there is anticipated a borrowing
19 to build a new facility.

20 COUNCILMAN NUTTER: Is that
21 through one of our quasi government
22 agencies?

23 MR. JANNETTI: Yes, sir,
24 through the municipal authority.

25 COUNCILMAN NUTTER: So it's not

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2 a GO?

3 MR. JANNETTI: No, sir.

4 COUNCILMAN NUTTER: All right.

5 And how is the \$7 million issue going to
6 get resolved from FY05?

7 MR. JANNETTI: I think we're
8 going to have to have a discussion. You
9 know, we're going to have to have a
10 discussion to resolve it.

11 COUNCILMAN NUTTER: Do you
12 think it might help to not only seek to
13 get a resolution to FY05 but kind of a
14 universal agreement with regard to the
15 FY05 money and this FY06 authorization or
16 ballot question? I mean, why don't we
17 try to wrap this up all at the same time.

18 MR. JANNETTI: I think that
19 anything we on the Administration side
20 decide to do, the Mayor would have to
21 sign off on it. So I'm not sure that we
22 can resolve it here.

23 COUNCILMAN NUTTER: I'm just
24 asking your personal opinion. Wouldn't
25 it make sense to try to get all these

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2 financial issues resolved at the same
3 time?

4 MR. JANNETTI: Oh, sure. Yes.

5 COUNCILMAN NUTTER: All right.
6 Thank you.

7 Thank you, Madam Chair.

8 COUNCILWOMAN BLACKWELL: Thank
9 you very much.

10 Councilman Goode.

11 COUNCILMAN GOODE: Thank you,
12 Madam Chair.

13 Very quickly, Mr. Jannetti, per
14 the e-mail you sent, assuming this was
15 yesterday at 5:19, are you suggesting
16 through the e-mail that pre-qualification
17 from trust services are the same as the
18 requirements for City depositories?

19 MR. JANNETTI: I think the
20 question was, if I recall correctly,
21 Councilman, was about the deposit of
22 these funds?

23 COUNCILMAN GOODE: Yes.

24 MR. JANNETTI: So, I mean,
25 these funds, whenever we fund this, would

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2 be deposited to Wachovia and then
3 invested by Evergreen. And Wachovia did
4 in fact send in information to the
5 Procurement Department.

6 COUNCILMAN GOODE: And they're
7 going to Wachovia why?

8 MR. JANNETTI: Because that's
9 the bank we use for these funds. I mean,
10 it goes into Wachovia and then it goes
11 out and gets invested.

12 COUNCILMAN GOODE: The question
13 was, why are we almost exclusively using
14 Wachovia? Why are we using only Wachovia
15 and PNC, and beyond that, what is
16 necessary in terms of pre-qualifying all
17 the other City depositories to hold the
18 money, particularly since it's only being
19 held to be invested by other investment
20 managers?

21 MR. JANNETTI: The issue with
22 the other banks -- I got into that this
23 week with our Treasurer and the
24 Procurement Commissioner, and we're
25 working on that.

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2 COUNCILMAN GOODE: My question
3 is, are the other seven authorized City
4 depositories qualified to provide trust
5 services, and, if so, why aren't we
6 spreading the work around?

7 MR. JANNETTI: If you're
8 talking about corporate trust, corporate
9 trust is like a checkbook, right? So
10 it's a practical matter to use one
11 checkbook for one type of bonds. You do
12 general obligation bonds, we use
13 Wachovia. Or authorities like the PAID
14 bonds is JP Morgan Chase. The NTI bond
15 money is, the corporate trust for that is
16 Commerce Bank.

17 So we do spread it out a little
18 bit. Not all banks offer corporate trust
19 work.

20 COUNCILMAN GOODE: I
21 understand. I'm simply asking --

22 MR. JANNETTI: So it's really a
23 practical matter because --

24 COUNCILMAN GOODE: You're
25 leading me to another question, though,

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2 satisfaction.

3 MR. JANNETTI: Correct. That
4 is correct, Councilwoman.

5 COUNCILWOMAN TASC0: On the '06
6 capital budget relative to the questions
7 that Councilman Nutter asked about the
8 Executive Order around selection of the
9 bond team, how far along is that? I
10 mean, where is it in the process, that
11 discussion?

12 MR. JANNETTI: It's pretty far
13 along in the process, Councilwoman.

14 COUNCILWOMAN TASC0: So we get
15 Mr. Tustin in with his bricks and mortar
16 with the woe and tale that the City Hall
17 is falling apart so that we will rush to
18 pass the legislation to go on the ballot,
19 but there's no real effort to move the
20 process along to come up with a
21 recommendation or an Executive Order. So
22 the move to resolve it is to force us to
23 make us look bad. City Hall is falling
24 and we have to have something and woe all
25 these agencies are here because their

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2 projects are not going to get done.

3 MR. JANNETTI: Not at all,
4 Councilwoman. I mean, really this --

5 COUNCILWOMAN TASC0: But we
6 know how things work.

7 MR. JANNETTI: Right, but we
8 could not issue bonds on this
9 authorization until -- we have to go to
10 the voters. So that would be sometime in
11 May and --

12 COUNCILWOMAN TASC0: Or
13 November.

14 MR. JANNETTI: Or November.

15 COUNCILWOMAN TASC0: Or the
16 next May or the next November.

17 MR. JANNETTI: So until that
18 happens, we can't issue any bonds on this
19 authorization.

20 COUNCILWOMAN TASC0: Thank you.

21 MR. JANNETTI: You're welcome.

22 COUNCILWOMAN BLACKWELL: Thank
23 you very much.

24 Are there further questions?

25 COUNCILMAN NUTTER: Just one.

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2 COUNCILWOMAN BLACKWELL:

3 Councilman Nutter.

4 COUNCILMAN NUTTER: But I think
5 Councilman Ramos is a member of the
6 Committee.

7 COUNCILWOMAN BLACKWELL: Yes.

8 Councilman Ramos. Thank you.

9 COUNCILMAN RAMOS: Thank you,
10 Councilman Nutter.

11 I believe all of us got a copy
12 of a letter sent by the Mayor to the
13 Council President emphasizing how if we
14 don't get this done very soon, that this
15 will cause some grave disruption in
16 services that we provide in so many
17 different ways and through so many
18 different departments of the City.

19 What deadline are we looking at
20 before we come close to possible -- at
21 least in the letter, it sounds like
22 there's going to be chaos if we don't get
23 this done in a timely manner because we
24 won't be able to get it on the ballot on
25 May the 16th.

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2 MR. JANNETTI: I'm sorry,
3 Councilman. I didn't hear the last part
4 of it.

5 COUNCILMAN RAMOS: If we don't
6 do this in a timely manner, I want to
7 know what time is left if we don't get
8 it --

9 MR. JANNETTI: If we don't get
10 it on the ballot in the primary --

11 COUNCILMAN RAMOS: Well, I
12 understand that. We're looking for a
13 date. Today is the 9th, right?

14 MR. JANNETTI: The City
15 Commissioners need the question by March
16 30th.

17 COUNCILMAN RAMOS: So a
18 decision would have to be made by this
19 Committee and voted on by March 30th?

20 MR. JANNETTI: Yes, sir.

21 COUNCILMAN RAMOS: Madam Chair,
22 is that the --

23 COUNCILWOMAN BLACKWELL: Yes.
24 That sounds correct.

25 COUNCILMAN RAMOS: So we need

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2 Ramos's various questions, I read this
3 letter also and, Mr. Jannetti, I don't
4 know whether it's your question or
5 Mr. Tustin. As a couple Councilmembers
6 have pointed out, there needs to be a
7 little more, I think, honesty in this
8 process. It's not like the City has no
9 money. I mean, there have been
10 reprogrammed capital dollars. I realize
11 there are dollars that are programmed for
12 other things, but, I mean, you're not
13 going to sit at that table and say that
14 if there were an emergency, a critical
15 capital emergency need, that the City
16 would not be able to respond to it.

17 MR. JANNETTI: That's correct.
18 I mean, if there's a real emergency,
19 sure.

20 COUNCILMAN NUTTER: We're going
21 to respond. I mean, we have a laundry
22 list of projects, many of which have
23 designated funds for them if this issue
24 gets resolved, but I think it goes back
25 to what Councilman Ramos directly said

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2 and Councilwoman Tasco raised as well.

3 We need a resolution --

4 MR. JANNETTI: Right.

5 COUNCILMAN NUTTER: -- to all

6 of this. I mean, we can kind of keep

7 going back and forth and see who blinks

8 and all this other kind of stuff. Can we

9 get beyond that, have a serious

10 discussion, get a universal resolution to

11 all these issues and move on with all of

12 our respective lives?

13 So, I mean, creating these

14 deadlines -- I like as much drama as the

15 next person, and I respect Mr. Tustin and

16 concrete balls and slabs and all this

17 other kind of stuff going on, but if we

18 were only engaged in inside baseball,

19 that would be one thing. I think we

20 cannot show ourselves as two important

21 components of government, the legislative

22 branch and the executive branch, that we

23 have no idea what we're doing and we

24 can't resolve some of these issues.

25 This is about money, it's about

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2 '07. We had three budgets worth of
3 conversation and debate going on all at
4 the same time.

5 Thank you, Madam Chair.

6 MR. TUSTIN: Councilman, may
7 I --

8 COUNCILWOMAN BLACKWELL: Are
9 there further questions from members of
10 the Committee?

11 (No response.)

12 COUNCILWOMAN BLACKWELL:
13 Mr. Tustin, please identify yourself.

14 MR. TUSTIN: Thank you,
15 Councilwoman. My name is Rick Tustin.
16 I'm the Director of the City's Capital
17 Program Office.

18 I agree in concept with
19 everything that's been said concerning
20 resolving these issues, and I would like
21 to get them resolved as --

22 COUNCILWOMAN BLACKWELL: Excuse
23 me.

24 Could we ask those who are
25 having their conversations to keep them

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2 down, please. Thank you.

3 Sorry, Mr. Tustin.

4 MR. TUSTIN: I would like to
5 get these issues resolved to everyone's
6 satisfaction more than anyone else,
7 because every year that we don't have a
8 budget passed does create chaos for the
9 Capital Program Office and the City as a
10 whole.

11 Last year when this
12 authorization wasn't passed and there was
13 no money available in July of '05, which
14 was '06 fiscal year, we spent literally
15 weeks, if not months, of time trying to
16 figure out how we could take
17 carry-forward money from other projects
18 that were sitting there and basically
19 robbing Peter to pay Paul to keep things
20 going from July until now, and we've
21 stripped about everything we can find
22 from every other project out there that
23 is not in one stage of movement to
24 continue the City business. I'm sure the
25 Streets Department has done the same

5 The reality is, on the exterior
6 of City Hall, which this is my third day
7 now testifying about that, we are at a
8 critical stage, and if this issue and the
9 bond ordinance or the authorization does
10 not get passed and we have money in July,
11 we will be in trouble. We've used all
12 the money we can find for City Hall,
13 which will take us until August of this
14 year, at which point in time the
15 contractor will leave the job and we will
16 have scaffolding and windows boarded and
17 roof leaking on the exterior of the
18 building and nothing we can do about it.

19 I would also like to say that
20 that next stage of work that we have to
21 authorize or give a notice to proceed, we
22 have to notify them by the end of this
23 month whether we're going to proceed with
24 that next stage or not. So urgency is an
25 issue here for me in particular, and I'm

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2 speaking personally now, not for the
3 Administration but for me, and I just
4 wanted to be on the record so that
5 everybody understood that.

6 Thank you.

7 COUNCILMAN NUTTER: I agree
8 with everything you said. This is an
9 issue that could be solved in two
10 minutes, and I think both of you know
11 that. It's not your fault. But there is
12 a solution. It's not complicated. I
13 mean, you didn't have to go to MIT to
14 figure it out. It's a two-minute
15 solution. Thank you.

16 Thank you, Madam Chair.

17 COUNCILWOMAN BLACKWELL: Thank
18 you very much.

19 Councilman Kenney.

20 COUNCILMAN KENNEY: Thank you,
21 Madam Chair.

22 I'm just questioning in general
23 terms. When I came here in '92, I really
24 had no experience of the capital budget,
25 but I understood it ran totally

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2 different, that there was a lot more
3 input from District Councilpeople. For
4 me as an at-large Councilmember, I don't
5 have any really vested interest other
6 than seeing the system work as well as it
7 can. So the Rendell Administration
8 changed that process into a more, I
9 guess, unified or uniform process of
10 putting all the money kind of in one pot
11 without real input from District
12 Councilpeople and then kind of
13 prioritized the big issues, the big
14 items, and then cut some money loose for
15 District Councilpeople to kind of set
16 some priorities.

17 But during the course of that
18 whole process and I think since I've been
19 here, it's hard to know where projects
20 are, where they're funded. I kept on
21 hearing the pipeline, the pipeline, it's
22 in the pipeline. It seems like in an
23 effort to streamline and make the process
24 more, I guess, cost effective, you've
25 lost any semblance of understanding where

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2 projects are at any given time. I mean,
3 you could obviously look at the building
4 out here. It's a big major project.
5 It's not an individual District
6 Councilperson's project. The City owns
7 it as a whole and it needs to be dealt
8 with. But when it comes to rec centers
9 and pool improvements and police stations
10 and firehouses in people's districts,
11 there never seems to be an understanding
12 of when it's funded, when it's going to
13 be completed, what capital budget year
14 it's in. And as a non-District
15 Councilperson -- they are confused. I'm
16 even more confused, because I don't see
17 the benefit of this. Because it's hard
18 for District Councilpeople to articulate
19 to their constituents what it is they're
20 doing for them on the capital side when
21 you can't identify when the projects get
22 funded, when they get done and under what
23 capital budget year it gets done in.

24 If I were a District
25 Councilperson, I'd be yelling about it

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2 more than I am right now. But I
3 understand the desire to make things
4 streamlined and uniform, but you get it
5 to the point where you can't even find
6 out where things are and when they're
7 getting done. I don't see the benefit to
8 it, to tell you the truth.

9 MR. TUSTIN: Councilman, again,
10 Rick Tustin with the Capital Program
11 Office.

12 I disagree. I'd be more than
13 happy -- we keep monthly reports on every
14 single project that's being done, whether
15 it's a Fire Department, Police
16 Department, rec center, and if you were
17 to contact our office on any one
18 particular project, we'd be able to tell
19 you the year it was funded, when the
20 design started, when the construction
21 started, the substantial completion date.
22 Any information that you would need to
23 pass on to your constituents, we'd be
24 more than happy --

25 COUNCILMAN KENNEY: I'm sure

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2 you have the records. The problem I have
3 is, it is my understanding in past years
4 prior to '92 that once a budget deal, a
5 capital deal, was cut with the District
6 Councilpeople, those things got done.
7 The Administration now has the ability,
8 and the last Administration did, too, to
9 hold things up, to slow things down, to
10 move priorities around, to kind of
11 manipulate the capital process as it
12 relates to the rest of the government
13 activity and Council relationship, and
14 that's what I find offensive. And it's
15 not just this Administration, because I'm
16 not only picking on these guys, but the
17 last Administration did it, too.

18 These capital dollars are not,
19 in my mind, for the Administration to
20 control the ebb and flow of when they
21 feel it's appropriate. Again, large
22 capital projects, major issues that need
23 to be dealt with, the public safety
24 issues, no one is going to argue, but
25 whose District Councilperson's rec center

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2 gets done as opposed to somebody else's
3 firehouse to me is kind of a manipulation
4 of the process. It's unfair to the
5 taxpayer and constituents, and I just --
6 you disagree with me, and I understand
7 you have all the records you need. You
8 can tell me when it was authorized, when
9 it was funded, when it was contracted,
10 designed. I understand you have the
11 records, but when the bricks and mortar
12 are able to be seen is a total confusion,
13 and I think it's utilized in this
14 Administration and the last in a way to
15 keep Councilmembers in line. When they
16 don't like the way Councilmembers are
17 voting or doing things, things kind of
18 get slowed up, slowed down, things get
19 put in priorities that delay things. And
20 I think it's a manipulation of the
21 capital budget that I think is not fair.

22 MR. TUSTIN: Councilman --

23 COUNCILMAN KENNEY: I know you
24 don't do it yourself, but I'm sure you
25 get some advice on what to do.

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2 MR. TUSTIN: Councilman, since
3 you're not a District Councilperson, you
4 wouldn't know, or maybe not know, that
5 our office meets with each District
6 Council at least once a year to review
7 all of the projects and what stages
8 they're in. In addition to that, the
9 staff from my office have constant
10 communications with the staff from each
11 one of the Council offices. So --

12 COUNCILMAN KENNEY: I'll tell
13 you what --

14 MR. TUSTIN: If I could finish,
15 Councilman.

16 COUNCILMAN KENNEY: -- that may
17 be the case, but I don't hear a lot of
18 complimentary comments from District
19 Councilpeople, from all District
20 Councilpeople, as it relates to what's
21 going on their districts. And, again, I
22 support District Councilpeople with my
23 vote. I have no ability to direct
24 anything or to designate anything. I try
25 to support all the District Councilpeople

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2 with my vote on the capital budget, but
3 we shouldn't be in here talking about
4 this now. I mean, I don't get it. But
5 all I'm saying is, I think that the
6 desire to streamline and make this thing
7 uniform was all well-intentioned. I
8 think where we are now some 15 years
9 later, it needs to be a little re-tooled,
10 in my opinion.

11 Thanks, Madam Chair.

12 COUNCILWOMAN BLACKWELL: Thank
13 you very much.

14 Any other questions or
15 comments?

16 (No response.)

17 COUNCILWOMAN BLACKWELL: Seeing
18 none, we will make closing remarks.

19 At the Administration's
20 request, this Committee held hearings on
21 February 16th and March 6th to provide
22 the Administration an opportunity to
23 respond to concerns raised by Committee
24 members and other members of Council. To
25 date, these concerns have not been

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2 addressed to the satisfaction of this
3 Committee or other Councilmembers.

4 While this Committee and
5 Council are sensitive to the time
6 constraints related to authorizing the
7 borrowing needed to fund the Fiscal Year
8 '06 capital program, it is certainly the
9 Administration's responsibility to submit
10 a loan authorization that addresses the
11 concerns of Council to the extent that
12 they feel that a recommendation is
13 warranted from this Committee.

14 In light of the fact that
15 Councilmembers feel that their concerns
16 have not been addressed to their
17 satisfaction, this Committee will not
18 recommend that we report this bill out
19 today.

20 We invite the Administration to
21 continue its efforts to address the
22 concerns of Councilmembers, and this
23 hearing will be recessed until March 16th
24 at 9:00 a.m. This will allow a
25 sufficient amount of time within which to

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2 place the loan authorization on the May
3 '06 ballot for consideration by the
4 electorate should the loan authorization
5 request meet with the Committee's
6 approval by the March 16th hearing date.

7 Having said that, thank you
8 very much, and we will recess into the
9 Caucus Room for a caucus. Thank you all.

10 (Committee on Finance adjourned
11 at 9:45 a.m.)

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CERTIFICATE

I HEREBY CERTIFY that the
proceedings, evidence and objections are
contained fully and accurately in the
stenographic notes taken by me upon the
foregoing matter on March 9, 2006, and that
this is a true and correct transcript of same.

MICHELE L. MURPHY
RPR-Notary Public

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