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COUNCIL OF THE CITY OF PHILADELPHIA
PUBLIC MEETING
BEFORE THE COMMITTEE ON FINANCE

- - -

Room 400, City Hall
Philadelphia, Pennsylvania
Tuesday, September 23, 1997
10:20 a.m.

- - -

BILL 970515 - An Ordinance constituting the Third
Supplemental Ordinance to the General
Water & Wastewater Revenue Bond
Ordinance of 1989

BILL 970517 - An Ordinance amending Section 19-203
of the Philadelphia Code entitled
"Payroll Deductions."

- - -

PRESENT:

COUNCILWOMAN ANNA CIBOTTI VERNA, Chair
COUNCILWOMAN JANNIE BLACKWELL
COUNCILWOMAN HAPPY FERNANDEZ
COUNCILMAN JAMES F. KENNEY
COUNCILMAN BRIAN J. O'NEILL
COUNCILMAN ANGEL ORTIZ

- - -

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BILL 970517

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Lynda Orfanelli, Deputy Director, Department
of Finance-----

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Philip M. Harris, Vice-President, Benefits Plus
Consulting Group-----

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Norma Romero Mitchell, President, Benefits Plus
Consulting Group-----

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Karen Yancey, Deputy City Treasurer----- 10

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Kumar Kishinchand, Commissioner, Philadelphia
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Michael Nadol, Deputy Commissioner, Philadelphia
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1 BILL NO. 970517

2 P R O C E E D I N G S

3 CHAIRWOMAN VERNA: Good morning.

4 This is the Committee on Finance Public Hearing. I
5 would ask the clerk to please read Bill No. 970517.

6 THE CLERK: Bill No. 970517, An
7 Ordinance amending Section 19-203 of the
8 Philadelphia Code, entitled "Payroll Deductions," by
9 authorizing payroll deductions for certain benefits,
10 including deductions payable to Colonial Life &
11 Accident Insurance Company, represented by Benefits
12 Consulting Group, Incorporated, under certain terms
13 and conditions.

14 CHAIRWOMAN VERNA: Do we have anybody
15 to testify on this bill?

16 Please approach the witness table,
17 identify yourself, and proceed with your testimony.

18 MS. LYNDA ORFANELLI: My name is
19 Lynda Orfanelli. I am Deputy Director of Finance,
20 and I am here testifying in support of Bill No.
21 970517, which would amend the Philadelphia Code
22 pertaining to payroll deductions.

23 Also with me today are Norma Romero
24 Mitchell and Phil Harris from Benefits Plus, and
25 Glenn Maykish from Colonial Life.

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2 So if you have any questions about
3 this payroll deduction, you can direct those
4 questions to these people.

5 The Colonial Life & Accident
6 Insurance Company will provide disability health
7 benefits to bargaining unit members of District
8 Council 47.

9 I also want to mention that Bob
10 McAllister from District Council 47 is here, and
11 they had requested that the city put this payroll
12 deduction into place earlier this year.

13 Section 19-203 of the Philadelphia
14 Code, as approved by City Council, authorizes the
15 Director of Finance to deduct from salaries such
16 sums as employees may request.

17 The authorization is made voluntarily
18 and can be cancelled at any time by the employees.

19 Currently there are 21 institutions
20 that are listed in the code.

21 We are ready for questions now.

22 CHAIRWOMAN VERNA: Can you tell the
23 Committee what costs are associated with providing
24 the payroll deductions for city employees?

25 MS. ORFANELLI: You mean the city

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2 costs?

3 CHAIRWOMAN VERNA: Yes.

4 MS. ORFANELLI: We provide this
5 service as a normal course of our activities. We do
6 payroll deductions for many profit and nonprofit
7 organizations. We have never actually taken the
8 per-cost basis.

9 It varies from each organization,
10 depending on the number of deductions and how
11 complicated they are.

12 We are planning to look into this in
13 the future to see whether there is any reason to
14 attach a cost to the companies that are requesting
15 these deductions.

16 It seems that over the years the
17 number of deductions have increased. But we are
18 more mechanized now. And because of computers, if
19 anything, the cost has gone down, not up.

20 CHAIRWOMAN VERNA: Great.

21 And the city is fully in support of
22 this?

23 MS. ORFANELLI: Yes, we are.

24 CHAIRWOMAN VERNA: Fine. Any
25 questions from members of the Committee?

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2 The Chair recognizes Councilwoman
3 Fernandez.

4 COUNCILWOMAN FERNANDEZ: Hi. Could
5 you just tell me, what would an employee pay? Do
6 they have options of how much they have deducted, or
7 is it based on a percentage of their pay?

8 Or what financial investment does
9 this, you know, mean for the employee?

10 MS. ORFANELLI: I think this is a
11 question for Colonial Life.

12 CHAIRWOMAN VERNA: Excuse me. Please
13 identify yourself for the record.

14 MR. PHILIP M. HARRIS: Yes. My name
15 is Philip Harris. I am vice-president of Benefits
16 Plus Consulting Group.

17 And to answer Councilwoman's
18 question, the product is priced based on sex and the
19 amount of coverage that the individual wants.

20 So it is totally flexible and can be
21 custom designed around the accumulated number of
22 sick days, whether they may have 7 sick days or up
23 to 180 sick days.

24 COUNCILWOMAN FERNANDEZ: Thank you.

25 CHAIRWOMAN VERNA: Do we have any

1 BILL NO. 970517

2 other questions from members of the Committee?

3 Anyone else to testify on this bill?

4 MS. MITCHELL: Yes, I would like to
5 say something.

6 CHAIRWOMAN VERNA: Please identify
7 yourself for the record.

8 MS. NORMA ROMERO MITCHELL: My name
9 is Norma Romero Mitchell. I am President of
10 Benefits Plus Consulting Group, and it is my
11 distinct pleasure to appear before this Committee
12 this morning.

13 Our company, Benefits Plus Consulting
14 Group, is an independent female and minority-owned
15 benefits and financial consulting firm located in
16 121 South Broad Street, Philadelphia, PA.

17 And we have been authorized by
18 Colonial Life & Accident to offer their voluntary
19 products and to represent them at this hearing.

20 AFSCME District Council 47's Board of
21 Trustees selected Benefits Plus Consulting Group and
22 Colonial Life & Accident in May 1997 to serve their
23 voluntary disability insurance needs.

24 D.C. 47 empowered a benefits
25 committee to conduct a comprehensive proposal review

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2 and benefit analysis that took almost two years to
3 complete. Benefits Plus Consulting Group was
4 selected.

5 We are proud to appear before you
6 today and thank you for the opportunity to serve
7 District Council 47 and its dedicated employees.

8 We urge this Committee to pass Bill
9 No. 970517, authorizing payroll deductions for
10 certain benefits, including deductions payable to
11 Colonial Life & Accident Insurance Company as
12 represented by our firm.

13 This is a voluntary program which
14 offers D.C. 47 members the opportunity to protect
15 against unfortunate accidents, illnesses, and perils
16 of life, as well as provide financial support for
17 mothers during maternity leave.

18 This program will allow employees to
19 protect their family's financial security.

20 If the Committee on Finance has any
21 further questions, we will be glad to answer them.

22 Thank you.

23 CHAIRWOMAN Verna: Thank you.

24 Any questions from members of the
25 Committee?

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2 Thank you all very much.

3 Do we have anyone else to testify on
4 this bill?

5 MS. ORFANELLI: No one else.

6 CHAIRWOMAN VERNA: Thank you.

7 Seeing none, the clerk will please
8 read the next bill.

9 THE CLERK: Bill No. 970515, An
10 Ordinance constituting the Third Supplemental
11 Ordinance to the General Water and Wastewater
12 Revenue Bond Ordinance of 1989 as supplemented;
13 authorizing the Bond Committee, or a majority of
14 them, to issue and sell either at public or private
15 sale in one or more series or subseries, Water and
16 Wastewater Revenue Bonds of the City of
17 Philadelphia;

18 Authorizing approval of the form or
19 forms of bonds providing that the bonds shall bear
20 interest at a prescribed fixed rate or rates or at
21 variable rates which may be payable in different
22 modes;

23 And authorizing agreements to provide
24 credit enhancement or payment of liquidity sources
25 or swap payments for the bonds and certain other

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2 actions.

3 CHAIRWOMAN Verna: The Treasurer is
4 out of town; however, I understand that the Deputy
5 City Treasurer will be testifying.

6 And while they are coming up to the
7 table, I would like the record to reflect that we do
8 have a quorum.

9 To my left is Councilman O'Neill,
10 Councilman Ortiz, Councilwoman Blackwell. To my
11 right, Councilwoman Fernandez and Councilman
12 Kenney.

13 Thank you. Good morning. I am sorry
14 you were kept waiting. Please identify yourself for
15 the record and proceed with your testimony.

16 MS. Karen Yancey: Good morning. My
17 name is Karen Yancey. I am the Deputy City
18 Treasurer. I am here to present the testimony of
19 Thomas Queenan, City Treasurer.

20 With me today is Kumar Kishinchand,
21 Water Commissioner of the Philadelphia Water
22 Department, and Michael Nadol, Deputy Commissioner.

23 The purpose of the Bill No. 970515 is
24 to authorize an ordinance constituting the Third
25 Supplemental Ordinance to the General Water and

1 BILL NO. 970515

2 Wastewater Revenue Bond Ordinance of 1989.

3 The aggregate amount will not exceed
4 \$390 million, excluding original issue discount.

5 The bonds will be issued in two
6 series: A 1997-A which is a fixed portion, and a
7 1997-B which is a variable portion.

8 Both series will be insured, and,
9 therefore, will have a rating of AAA.

10 As required by the --

11 CHAIRWOMAN VERNA: Excuse me. Would
12 you mind pulling the microphone closer to you. We
13 are having some difficulty hearing you.

14 MS. YANCEY: As required by the First
15 Class City Revenue Bond Act, the restated General
16 Water and Wastewater Revenue Bond Ordinance of 1989,
17 the Finance Director of the city has transmitted his
18 financial report with respect to the water and
19 wastewater systems.

20 We would also like to offer some
21 amendments to the ordinance. And I can do that now,
22 or, if you would like, we can continue on with the
23 testimony. And the Commissioner and the Deputy will
24 speak, and I can offer those later.

25 CHAIRWOMAN VERNA: Why don't we hear

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2 from the Commissioner first, and then we could
3 consider the amendments.

4 MS. YANCEY: Okay.

5 COMMISSIONER KUMAR KISHINCHAND: Good
6 morning, Chairwoman Verna --

7 CHAIRWOMAN VERNA: Good morning.

8 COMMISSIONER KISHINCHAND: -- and
9 members of Finance Committee. I am here before you
10 to testify regarding Bill No. 970515, to authorize
11 new issuance of Water and Wastewater Revenue Bonds.

12 As Miss Yancey has already introduced
13 Michael Nadol, Deputy Water Commissioner in charge
14 of Finance in this Administration is with me to help
15 me answer any questions that you might have.

16 The purpose of this ordinance is,
17 essentially, to authorize us to raise some capital
18 dollars.

19 As you know, we have a construction
20 account which provides funds for our capital
21 improvement programs, for new water and sewer mains,
22 and wastewater treatment facilities, biosolids,
23 recycling center, et cetera.

24 The last time that we went to the
25 market was back in 1993. Those funds are almost

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2 exhausted right now.

3 We have been replenishing those funds
4 with internally generated revenues on an annual
5 basis at the rate of approximately \$15 million.

6 However, we are now in a position
7 where we need to raise some more capital to continue
8 this particular program.

9 The amount of money that we will be
10 going for will carry us through for approximately a
11 three-year period of time.

12 I believe you have my written
13 testimony. If you would like, I can either read
14 through it or answer any questions that you would
15 prefer to ask.

16 CHAIRWOMAN VERNA: I believe everyone
17 was submitted a copy of the Commissioner's
18 testimony.

19 Do you want him to read it for the
20 record, or do you want him to simply abbreviate what
21 he sent us?

22 COUNCILWOMAN FERNANDEZ: Fine.

23 CHAIRWOMAN VERNA: Everybody has a
24 copy, Commissioner. So if you could simply
25 abbreviate it, we would appreciate it.

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2 COMMISSIONER KISHINCHAND: Fine. I
3 have already gone through, essentially, what I meant
4 to say in the testimony -- it is a very short
5 testimony -- for raising those funds.

6 I am ready to answer any questions
7 that you have.

8 CHAIRWOMAN VERNA: I guess this
9 question would be for the Treasurer.

10 In your testimony, you state that a
11 portion of the bonds will be fixed-rate bonds in
12 denominations of \$5,000.

13 What is the purpose of this small
14 denomination, and what investors would take
15 advantage of this denomination?

16 MS. YANCEY: To the best of my
17 knowledge, the reason for the denomination size of
18 \$5,000 is so that individuals, retail individuals,
19 can purchase these bonds.

20 And I do believe that institutional
21 investors do buy the bonds. There is a lot of
22 participation from the City of Philadelphia
23 residents, as well.

24 CHAIRWOMAN VERNA: What are the
25 conditions under which the bonds will be issued?

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2 For example, what interest rates do
3 you anticipate the city will pay? Do you know at
4 this point in time?

5 MS. YANCEY: We don't know; depending
6 on the market.

7 But given current market conditions,
8 I would say approximately 5 to 6 percent.

9 CHAIRWOMAN VERNA: You did say that
10 you had some amendments. And I believe the bill
11 indicates that this bond issue is for \$350 million;
12 is that correct?

13 MS. YANCEY: Yes, that's correct.

14 CHAIRWOMAN VERNA: However, I believe
15 in the proposed amendments, as you presented it to
16 us this morning, you are referring to \$390 million.

17 MS. YANCEY: Right. At the time --

18 CHAIRWOMAN VERNA: Is that going to
19 be amended? Are we talking about more or less?
20 Which figure are we dealing with, 350 or 390?

21 MR. MICHAEL NADOL: Councilwoman,
22 good morning. I am Michael Nadol, Deputy Water
23 Commissioner. We have been working closely with the
24 Treasurer's office on the structure of this deal.

25 We had originally included, and would

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2 propose continuing to include, the figure of \$390
3 million just to give us greater flexibility in the
4 event that changing market conditions would enable
5 us to capture any additional savings by refinancing
6 any older debt.

7 And having a slightly larger cap
8 gives us the flexibility to incorporate some
9 refinancing if market conditions would make that
10 appear to be beneficial for our ratepayers.

11 At this point we don't foresee that
12 as a likelihood, given current market conditions.
13 But it is flexibility that we would propose to
14 maintain.

15 CHAIRWOMAN Verna: We are having a
16 difficult time hearing your testimony because of the
17 window being open, I guess. And I would ask that
18 you would speak more closely into the mike.

19 According to the engineering report,
20 the Water Department has adequately met the rate
21 covenant for existing bonds.

22 Are there any circumstances that you
23 foresee that might endanger meeting the rate
24 covenant for existing bonds and/or this proposed
25 sale?

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2 Can the Treasurer answer?

3 MS. YANCEY: I would defer that to
4 the Commissioner of the Water Department, if I may.

5 CHAIRWOMAN VERNA: Please,
6 Commissioner.

7 COMMISSIONER KISHINCHAND:
8 Chairwoman, I don't see any circumstance under the
9 current conditions, under the current obligations
10 that the Water Department has, that we would ever
11 violate that bond covenant.

12 We have not violated the bond
13 covenant in the years that the Rendell
14 Administration has been here.

15 We don't, in fact, anticipate even
16 raising the rates to make sure that the rate
17 covenants are not violated.

18 CHAIRWOMAN VERNA: Commissioner, I
19 believe this Council has indicated on more than one
20 occasion our desire to see water laterals included
21 in capital repairs.

22 How can you come to this Committee
23 with a \$390 million bond issue and not include
24 laterals in the funding stream?

25 This particular ordinance requests

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2 only replenishment of the funds for spending on the
3 capital program.

4 As you know, the Council and the
5 Mayor authorizes and reviews and modifies the
6 capital program on an annual basis.

7 So to the extent that any additional
8 obligations are placed upon the Water Department,
9 the program will need to be modified and priorities
10 established.

11 But this particular ordinance will
12 only replenish the construction account to make the
13 cash available for any and all of the programs that
14 the Council authorizes.

15 CHAIRWOMAN Verna: Commissioner, does
16 the money in question include the new automatic
17 meter reading?

18 COMMISSIONER KISHINCHAND: That's
19 correct, it does include -- actually, we have a
20 budget which authorizes us to spend a certain amount
21 of dollars on automatic meter reading.

22 Part of the money that we are going
23 to be raising through this bond, through the
24 issuance of these bonds, is going to be utilized for
25 those automatic meters that we will purchase.

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2 CHAIRWOMAN VERNA: I noted you
3 started the automatic meter reading installation, I
4 guess, about two weeks ago.

5 Is that proving to be successful?
6 Are you able to get into the homes and do the
7 replacement in an orderly fashion and
8 expeditiously?

9 COMMISSIONER KISHINCHAND: The
10 reports that I have been getting have been very
11 positive. They are ramping up the rates. In fact,
12 every day they do more and more.

13 I am not too clear as to how many,
14 the numbers, what the numbers are, that they have
15 installed.

16 Perhaps Michael Nadol might be able
17 to brief you. He has been keeping a little closer
18 touch on it.

19 CHAIRWOMAN VERNA: Very well.

20 MR. NADAL: I, unfortunately, do not
21 have precise numbers. But in less than two weeks of
22 installation, we have already installed over 2,000
23 meters.

24 CHAIRWOMAN VERNA: Really?

25 MR. NADAL: And the rate is

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2 increasing every day.

3 We have since, during this first
4 roughly ten-day period, we have added in additional
5 installation efforts by city employees, which are
6 also helping to increase the installation totals.

7 And our contractor is planning to add
8 a second shift of employees represented by the
9 plumbers' union beginning within the next week or
10 two, which will further increase the daily rate.

11 So we're very pleased with the start
12 that we're off to. Of course, there is a long way
13 to go. But it does seem to be off to a successful
14 beginning.

15 CHAIRWOMAN Verna: Do you still
16 anticipate that it will take approximately three
17 years to do the entire city?

18 MR. NADAL: Our installation program
19 anticipates a two-year total installation pace.
20 After ten days, we are still on track.

21 CHAIRWOMAN Verna: That's wonderful.

22 Commissioner, on Page 3 of the
23 engineering report it is indicated that a decrease
24 in the electrical power budget is anticipated for
25 1998 because of a decrease in water delivery.

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2 What factors are leading to that
3 decrease in water delivery, and should we be
4 concerned?

5 COMMISSIONER KISHINCHAND:

6 Essentially, I think what we have noticed is that
7 the water consumption, the metered water, has been
8 going down.

9 It could be partly because of the
10 decline in population. To some degree it is because
11 of conservation purposes.

12 And, also, we have been replacing the
13 water mains, we have been looking at doing enhanced
14 leak detection programs to abate those leaks.

15 So talking pumping costs, to put it
16 into the system, are going to continue to decrease
17 as we continue to tighten up our system.

18 CHAIRWOMAN Verna: And at the
19 conclusion of that we can see a decrease in the
20 water rates? Okay. Joke.

21 COMMISSIONER KISHINCHAND: No comment
22 at this point.

23 CHAIRWOMAN Verna: Commissioner, one
24 of the primary problems, as I see it, from the
25 engineering report is the amount of unmetered

1 BILL NO. 970515

2 water.

3 Over 100 million gallons of water per
4 day delivered through the distribution system is
5 unmetered. While a portion of that water is used
6 for authorized purposes, a large amount is lost
7 through illegal hydrant use and theft of water.

8 Do we have any way of identifying
9 exactly how much in unmetered water is used for
10 authorized purposes?

11 COMMISSIONER KISHINCHAND: We have
12 taken a guess at it. It is a calculated guess as to
13 how much is being utilized.

14 At this juncture our estimate is that
15 through leaky pipes and leaky service lines, you
16 probably are losing about 10 percent of the water.

17 The other 23 percent is for
18 fire-fighting purposes, the unauthorized use of
19 hydrants, the construction permits that we give out
20 for contractors, street cleaning, and similar such
21 functions.

22 For instance, when we replace a water
23 main, we flush that out, so we use a hydrant, and we
24 don't meter that water. So those are it.

25 But in terms of the infrastructure

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2 leaks, our estimate is about 10 percent. But then
3 that's only an estimate at this point.

4 CHAIRWOMAN VERNA: And I believe that
5 I read that, what is it, 26 percent of the city's
6 hydrants are now locked?

7 COMMISSIONER KISHINCHAND: That's
8 correct. We started this program of putting locks
9 that cannot be tampered. Or if they are tampered,
10 only one of them can be. It is called a center
11 compression lock.

12 And that can be opened with a device
13 which has to stay on that hydrant for that to
14 continue to work.

15 That particular lock has been
16 defeated. I think there are a lot of ingenious
17 people around, and they have been able to defeat
18 it.

19 But they cannot turn multiple
20 hydrants on with that one device because it has to
21 stay on the lock itself for it to continue to
22 function.

23 CHAIRWOMAN VERNA: Thank you.

24 Commissioner, I note that the
25 wholesale wastewater service is provided to ten

1 BILL NO. 970515

2 suburban customers on a contractual basis.

3 And that in recent years, six of the
4 largest customers have entered into long-term
5 contracts with the Water Department.

6 These contracts have terms of up to
7 30 to 35 years, and require that five of the six
8 customers make front-end capital contributions
9 toward the cost of providing wastewater service to
10 the particular customer.

11 Has the author of the engineering
12 report done any cost analysis to determine if the
13 city is recouping a sufficient amount of money to
14 cover all of the costs associated with the delivery
15 of this service?

16 MR. NADAL: Councilwoman, the simple
17 answer is yes. And, in addition, we recoup a 10
18 percent management fee on the newer of the contracts
19 that have been negotiated.

20 It is very much to the city's benefit
21 to use whatever reserve capacity we may have in our
22 system and spread our fixed costs across a larger
23 customer base.

24 It has the ultimate effect of
25 lowering the need for cost increases for our city

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2 customers.

3 In fact, we have additional reserve
4 capacity on the drinking water side of our operation
5 that we hope to be able to market more successfully
6 to additional suburban customers.

7 That kind of contracting helps us
8 keep our overall costs to Philadelphians down.

9 CHAIRWOMAN VERNA: Thank you.

10 Commissioner, Page 5 of the
11 engineering report shows that the total cost of the
12 Water Department's Capital Improvement Program for
13 1998 through 2003 is a total of \$737.5 million.

14 Since this bond issue is proposed to
15 be only about 350 million, how will the rest of the
16 program be funded?

17 When do you anticipate having to come
18 back to Council for authorization for another bond
19 issue, if you will, in fact, have to do that?

20 COMMISSIONER KISHINCHAND: We expect
21 this amount of money that we are raising this time
22 around, with this particular bond issuance, to take
23 us through about three years.

24 And for the rest, we will need to
25 come back to you for authorization for additional

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2 money.

3 And, as I indicated, on an annual
4 basis we do contribute some money to the
5 construction account from our revenues that we
6 generate on an annual basis.

7 So that sort of takes the pressure
8 off of continuing to increase our debt service.

9 CHAIRWOMAN VERNA: Do we have any
10 questions from members of the committee?

11 The Chair recognizes Councilwoman
12 Fernandez.

13 COUNCILWOMAN FERNANDEZ: Thank you,
14 Madam Chair.

15 Could I just preface my remarks by
16 saying, more than ever I appreciate the clean and
17 safe drinking water of the City of Philadelphia,
18 after coming back from a visit to a European country
19 this summer and getting, I think they call it,
20 giardia, which is nasty. So I do appreciate having
21 healthy, clean water here and the good job you do in
22 terms of management.

23 COMMISSIONER KISHINCHAND: Thank you.

24 COUNCILWOMAN FERNANDEZ: Just a
25 couple of questions.

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2 One, Councilwoman Verna had raised
3 this question of the discrepancy between the 350
4 million versus the 390 million.

5 And I can understand why you would
6 like some flexibility to maybe go up to 390 if it
7 is, you know, a great market.

8 But the Black & Beech report stated
9 that there is the revenue stream to cover the bond
10 issue up to 350. They didn't talk about 390.

11 So how would you deal with that if
12 you, in fact, went to the 390?

13 COMMISSIONER KISHINCHAND: The
14 additional \$40 million, as Michael Nadol indicated,
15 was to give us flexibility to refinance our existing
16 debt, existing debt that may have a higher interest
17 rate than the market may very well get down to.

18 And in the event that the market
19 forces allow us to refinance some of that debt and
20 lower our debt service, we wanted to have that
21 flexibility available as we were going into the
22 market.

23 COUNCILWOMAN FERNANDEZ: Okay. My
24 second question was just following up on the AMR.

25 The installations, are they occurring

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2 on weekends and evenings to accommodate working
3 people, employed people?

4 MR. NADAL: We began our first
5 weekend installations this past Saturday. At this
6 point there are no Sunday installations, but we are
7 doing Saturday installations.

8 We, as part of ramping up, have not
9 yet added a second evening shift. But that's
10 planned for, hopefully, before the end of the month.

11 There will be a shift that during
12 this season, with the longer daylight hours, will
13 perform installations up until 8:00 p.m.

14 So we are trying our best to
15 accommodate those concerns.

16 COUNCILWOMAN FERNANDEZ: And then
17 probably like next spring and summer it would be
18 good, you can go even later, right, when it is light
19 out, more daylight hours.

20 MR. NADAL: We would certainly look
21 into that.

22 COUNCILWOMAN FERNANDEZ: The third
23 question was regarding, you know, the no projected
24 rate increase through the year 2000.

25 But I think in some of the backup

1 BILL NO. 970515

2 material it notes that you, what, may be requesting
3 a rate increase of 3 percent in 2000, 8 percent
4 2001, 8 percent 2002, 3 percent 2003?

5 Could you clarify for the record, is
6 that your best estimate at this point, or do you
7 foresee that in order to pay for the expenses that
8 you already see?

9 And then what procedure would be gone
10 through to see if, in fact, those, I would sort of
11 say, steep increases really will be needed?

12 COMMISSIONER KISHINCHAND: At this
13 juncture our operations, as we see them, project
14 that we would have a revenue requirement of about 3
15 percent in the year 2000.

16 But, as you know, over the years we
17 have continued to streamline our operations and cut
18 costs. And, in fact, our last rate increase was
19 supposed to last us only for about three years, and
20 we have not had a rate increase since July of '95.

21 So we have been successful in cutting
22 costs and absorbing a number of additional programs,
23 mandated, some of them mandated, programs within the
24 revenue stream that we have been getting.

25 We continue to put pressure on

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2 ourselves to continue to cut costs. And we expect
3 that that 3 percent revenue requirement that's
4 projected in this bond report will disappear by the
5 time we get there.

6 COUNCILWOMAN FERNANDEZ: Well, I
7 think, again, for the record, I think it would be
8 very important to continue to manage very carefully
9 and save money wherever possible.

10 Because having lower utility rates,
11 including water, is very important for us in terms
12 of being competitive economically for commercial
13 establishments, and even for residential customers.

14 COMMISSIONER KISHINCHAND: Yes. I
15 couldn't -- I'm sorry.

16 COUNCILWOMAN FERNANDEZ: And,
17 obviously, whoever the City Council is and the
18 Administration is at that point, you know, I think
19 we need to be responsible not to sock them with that
20 kind of burden.

21 Because I have seen those two 8
22 percents. I think it a bit much.

23 COMMISSIONER KISHINCHAND: Well, I
24 couldn't agree with you more that we ought to
25 continue to put pressures on ourselves to continue

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2 to contain costs and reduce costs where we can.

3 We have introduced automation in
4 order to reduce those costs in a number of places.
5 In fact, in terms of becoming competitive in this
6 region, we are the lowest water rate, I think, in
7 this region.

8 Our suburban customers are paying
9 twice as much as the Philadelphia residents right
10 now.

11 And, as I said, we will not be coming
12 to you with a rate increase in the next several
13 years.

14 Whereas, if you read the newspapers,
15 you will find that some of the suburban water
16 companies have been requesting rate increases in
17 double digits right now.

18 So I think we are very competitive,
19 but that does not mean that we ought to relax at
20 all. We need to continue to cut costs.

21 COUNCILWOMAN FERNANDEZ: I think an
22 area probably you concentrate a lot on, but I'm not
23 sure we in Council have, is continuing to look at
24 ways to reduce wastewater and also stormwater
25 runoff, in terms of both environmental reasons and

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2 then saving money in terms of processing.

3 So I think that's an area where I
4 think we need to be probably more vigilant.

5 Probably you are, but I'm not sure how much we in
6 Council pay much attention to those issues.

7 COMMISSIONER KISHINCHAND: We will
8 keep you informed if there is anything you can do to
9 enhance that. We will do that.

10 CHAIRWOMAN VERNA: Commissioner -- I
11 am sorry, Jim, if I may.

12 If in fact the water rates are
13 increased by 2 or 3 percent in the year 2000, you
14 would never raise the service charge, would you?

15 COMMISSIONER KISHINCHAND: These
16 particular revenue projections show an overall rate
17 increase of 3 percent, which may very well -- which
18 would include the service charge.

19 However, we expect that, in the short
20 period of time, we will be coming to you for an
21 authorization on another ordinance that would permit
22 us to reallocate stormwater charges.

23 Right now the stormwater charges are
24 based on the size of the meter a person has. But
25 the reallocation process that we will be coming to

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2 you for approval on is going to, in fact, mitigate
3 that as far as the homeowner is concerned, the
4 redistribution.

5 As you know, parking lots pay very
6 little in terms of stormwater charges. So by
7 redistributing this, reallocating the cost, the
8 homeowner actually may very well benefit from it.

9 But we will be coming back to you
10 with more detail on that issue.

11 CHAIRWOMAN VERNA: The Councilwoman
12 is asking, when do you anticipate coming back to
13 Council on that issue?

14 COMMISSIONER KISHINCHAND: We are
15 hoping we can come back to you on that this fall,
16 once we get everything in place.

17 CHAIRWOMAN VERNA: I asked about the
18 service charge only because many of the senior
19 citizens I know often approach me once they receive
20 their water bill.

21 They live alone, and their complaint
22 is consistently that they are paying more in service
23 charges than they are for the actual use of water.

24 How do you answer to a senior who
25 tells you something like that?

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2 COMMISSIONER KISHINCHAND: When we
3 come back to you for authorization for this
4 reallocation of the stormwater charges, we will
5 actually, in the bill, be separating out the
6 stormwater charges.

7 The service charge on the wastewater
8 side includes the stormwater collection, disposal
9 and treatment, transportation.

10 And that's a very large number.
11 Because the stormwater pipes tend to be very, very
12 huge in order to take that heavy rainfall away and
13 prevent flooding. So that capital costs of those
14 pipes, et cetera, is very high.

15 But when we come back to you, when we
16 come up with a new billing system -- and we are
17 working on that new billing system, also -- we will
18 be separating out the stormwater charge from the
19 other service charge, which includes meter reading,
20 it includes customer service, and all
21 billing-related functions, which is much smaller
22 than the total service charges.

23 CHAIRWOMAN Verna: Thank you.

24 The Chair recognizes Councilman
25 Kenney.

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2 COUNCILMAN KENNEY: Thank you, Madam
3 Chair.

4 On that issue, Commissioner, is the
5 possible reallocation of the stormwater charge a
6 function of the square footage of the area that is
7 draining?

8 For example, it occurs to me that in
9 a residential row house in Philadelphia, the roof
10 area is a certain predictable square footage that
11 runs off into the storm drains.

12 A parking lot, for example, would
13 have a much greater area that is running off, as
14 would a commercial business that has a larger square
15 footage, with more downspouts and more actual water
16 coming off its property.

17 Is that the direction that you are
18 going in, trying to make it a more fair system?

19 COMMISSIONER KISHINCHAND: That's
20 correct. It includes not only the square footage of
21 the property, but also includes the permeability.

22 For instance, somebody living in an
23 area where they have, perhaps, a house on a property
24 which has no paving on it, that's going to absorb
25 most of the water.

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2 So there will be actually a formula
3 that will calculate how much of that surface area is
4 draining completely directly into the sewers, how
5 much of it is absorbing some of it.

6 COUNCILMAN KENNEY: So if you had a
7 lot with a lot of ground around it, for example, you
8 would be experiencing a lesser charge, potentially,
9 than those who have a building that covers most of
10 the area that you own?

11 COMMISSIONER KISHINCHAND: Right.

12 The formula is going to be such that
13 it will incorporate into it the square footage, plus
14 the permeability factor in it.

15 COUNCILMAN KENNEY: Do you want to
16 add something?

17 MR. NADAL: I did just want to
18 clarify, to help us determine what a more fair and
19 more equitable system would be, we had convened a
20 Community Advisory Committee that included
21 representatives of different typical customer
22 classes, community groups, environmental groups,
23 City Council technical staff, a number of different
24 stake-holders to help us determine what a better
25 system would be.

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2 On the specific point that you were
3 just raising, for simplicity, to make this a little
4 bit more manageable -- because, as you can, I'm
5 sure, imagine, this would be a very complex new
6 system to administer -- the committee's
7 recommendation that we will be bringing to Council
8 for consideration would involve categorizing three
9 different types of residential customers, row home,
10 detached, and twin, and sort of rounding off the
11 very nominal differences.

12 So we wouldn't be out there with a
13 tape measurer on every homeowner's property looking
14 at whether they paved over part of their lawn to add
15 a driveway. It would be somewhat simplified by
16 customer class.

17 But the overall effect would be
18 absolutely --

19 COUNCILMAN KENNEY: But I'm talking
20 more relative to residential customers, versus a
21 large-surface parking lot, for example.

22 MR. NADAL: And that's absolutely
23 right.

24 COUNCILMAN KENNEY: Okay. In regards
25 to stormwater collection and storm flood relief, on

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2 the five-year Capital Plan, Items 147, 148, and 148A
3 talk about replacement of sewers and other type of
4 storm-flooded relief in areas that experience
5 flooding during major storms.

6 Does this include the replacement,
7 the continuing replacement, of corner storm inlets
8 that have, in many of the older neighborhoods in the
9 city, collapsed and create horrendous problems in
10 all seasons with the collection of large puddles of
11 water at corners, intersections where children are
12 crossing to go to school?

13 I know in South Philadelphia, for
14 example, the crossing guards complain incessantly
15 about, after a storm, it is very difficult and very
16 dangerous to cross children at street corners,
17 people can't get across.

18 And part of what I have understood
19 from your office, in complaining about it and asking
20 for service, is that a lot of these corner storm
21 inlets have collapsed because of age.

22 And you have been through the process
23 of replacing them, as I understand.

24 Is that included in any of these
25 items, the continuing replacement of corner inlets?

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2 COMMISSIONER KISHINCHAND: The corner
3 inlets generally are in the operating budget as far
4 as replacement is concerned, unless we are putting
5 in a new sewer, which would be on the capital
6 program, we are replacing a new sewer, and then we
7 would replace that.

8 COUNCILMAN KENNEY: Why would a
9 determination be made that the replacement of what
10 seems to be an asset with a reasonable life span is
11 included in the operating budget and not the
12 capital, especially when it affects people in their
13 homes so regularly?

14 COMMISSIONER KISHINCHAND: Perhaps I
15 misspoke. It is actually rehabilitation.

16 For instance, if you already have a
17 storm inlet that's in reasonably good condition, but
18 perhaps a pipe has broken, pipe connecting the storm
19 inlet to the sewer, which is lateral, essentially,
20 if that's broken, we would go in under operating
21 conditions, as a routine maintenance process, do
22 that.

23 And, generally, a number of the storm
24 inlets that you have heard about that may be
25 defective generally turn out to be similar.

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2 But, you know, if it is completely
3 destroyed and they are putting in a new sewer main,
4 we would replace it on a capital program.

5 COUNCILMAN KENNEY: It is my
6 experience, though, through constituent requests
7 that we can go out and clean an inlet a half a dozen
8 times a year. But it is obvious that because the
9 inlet is in a collapsed state, all the cleaning in
10 the world isn't going to make a difference.

11 COMMISSIONER KISHINCHAND: Correct.

12 COUNCILMAN KENNEY: And while I
13 understand that routine type of maintenance and
14 inlet cleaning makes sense from an operating
15 standpoint, from my perspective these inlets are
16 either salvageable or unsalvageable.

17 And if they are unsalvageable, and
18 are not related to a total sewer replacement
19 project, should be replaced and probably should be
20 replaced out of capital dollars, not out of
21 operating.

22 I mean, certainly you are the expert
23 on both the financing and the actual work. But it
24 seems to me that if the asset with a definite life
25 can no longer be used, it should be replaced, and it

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2 seems to me to be a reasonable capital item.

3 COMMISSIONER KISHINCHAND: Yes, it
4 could be.

5 We can take a look at that and see if
6 there is a way of structuring a contract where we
7 can get a contractor who does only replacement of
8 defective -- I shouldn't say defective; collapsed
9 inlets on a citywide basis.

10 COUNCILMAN KENNEY: Do we have a list
11 of expected replacement sewer inlets, stormwater
12 inlets, throughout the city?

13 Do we highlight it or identify what's
14 getting replaced this year, next year, and for three
15 years out?

16 COMMISSIONER KISHINCHAND: No. We
17 are, in fact, right now developing a computerized
18 program on these inlets to keep track of which ones
19 are giving us the most trouble, so we can prioritize
20 them for replacement purposes.

21 COUNCILMAN KENNEY: Could you send me
22 or the Chair, or send to me through the Chair or to
23 me directly, a list of those locations?

24 Because I am curious as to what the
25 pattern is -- I would suspect that the pattern is,

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2 the older the neighborhood, the worse the problem
3 is.

4 And that relates to my next question,
5 which is, the ability to create a stormwater inlet
6 cover that precludes the use of the inlet as a trash
7 can.

8 I think people sometimes put a soda
9 bottle down the stormwater drain, thinking that they
10 are doing something good by not throwing it in the
11 street. But, as you know, we constantly need to
12 clean these out.

13 And I am wondering whether or not
14 there is a design that makes more sense to keep us
15 from having to clean these inlets as much as we do
16 because people are placing newspapers, bottles,
17 cans, whatever.

18 COMMISSIONER KISHINCHAND: I will ask
19 our design people to take a look at it.

20 I know that they probably have gone
21 through, you know, this process of looking at what
22 else they can do to preclude dumping of trash and
23 what-have-you through the inlets. Because it is a
24 burden on us; it definitely is.

25 And it costs us not only in terms of

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2 cleaning them up, but then paying tipping fees and
3 putting it in a landfill, and that sort of thing.

4 So it certainly will pay to go over
5 that and take another look at it and see if there is
6 a better design.

7 COUNCILMAN KENNEY: And, finally,
8 what is the rate, what is the amount, of uncollected
9 water charges out there?

10 Like the other utilities in the city,
11 the Gas Works and even the private utilities like
12 the Electric Company, do we have a number that's
13 either both residential and commercial that we
14 recognize as uncollectable?

15 And what is the number of shutoffs
16 that we do in a given year based on nonpayment?

17 COMMISSIONER KISHINCHAND: Our
18 receivables are in excess of \$150 million, but that
19 doesn't mean that they are uncollectable. Some of
20 it is current billing. Many of it is collectable.

21 I'm not quite sure if we have the
22 number for you today on what one would consider
23 uncollectable.

24 COUNCILMAN KENNEY: And do we have a
25 program or do we permit continuing agreements to be

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2 made and broken?

3 What is our policy when it comes to
4 the number of agreements you can make and not
5 fulfill, and then come back and make again?

6 All of that information that relates
7 to delinquencies, shutoffs, shutoff policy, you
8 know, the amounts of money that are both separated
9 commercially and residentially, and what our
10 policies are in that regard.

11 COUNCILWOMAN FERNANDEZ: Madam Chair,
12 Councilman Kenney, just for information, the
13 Transportation & Public Utilities Committee is
14 reconvening hearings this fall looking at that issue
15 of delinquencies and policies to deal with that.
16 Not only in the Water Department, but with PGW and
17 the Electric Company.

18 So there will be a full hearing. And
19 I hope, we would love to have you be there. Because
20 it is a very important, serious issue.

21 Some progress has been made, and I
22 think the three utilities can learn from each
23 other.

24 COUNCILMAN KENNEY: The issue for me
25 is that people, I was going to add, who consistently

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2 follow the rules and pay their bills, I want to
3 ensure they are not paying, as we do with auto
4 insurance, gas bills, and every other bill that
5 people who pay by the rules pay for, that we're not
6 carrying people who either should be shut off or
7 should be paying.

8 COMMISSIONER KISHINCHAND: We have,
9 of course, strengthened our shutoff program.

10 And, in fact, the Water Revenue
11 Bureau, which, as you know, is responsible for the
12 collection and the policies surrounding that, they
13 have, in fact, started the reinspection program of
14 shutoff.

15 That reinspection program has shown
16 us that approximately 33 percent of these properties
17 that are shut off have turned themselves on in some
18 fashion or another.

19 And in that case we go in and put
20 special locks on them, et cetera. There was a time
21 we used to pour concrete in there to shut that.

22 COUNCILMAN KENNEY: Have we ever
23 considered doing something with the District
24 Attorney's Office to have people arrested? I mean,
25 to me, stealing my water is as much as stealing my

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2 car.

3 And, again, I am not being critical
4 of you. Because I understand within the framework
5 where you work and because of the technical nature
6 of your business, you look for things to do that
7 will preclude this long term.

8 But when somebody is stealing water,
9 it is the same as stealing someone's property. And
10 why shouldn't those people be arrested and
11 prosecuted as any other thief would be?

12 I think it sends a message different
13 than the message we have been sending, which is,
14 basically, well, you know, if you can get away with
15 it, you can get away with it, and somebody else will
16 carry you for it.

17 And I don't think the Water
18 Department has had as bad a reputation -- and not to
19 pick on the Gas Works, but for 20 years the Gas
20 Works has had, basically, a representation that,
21 come in, make an agreement, break the agreement,
22 make another one, break it, just keep on making them
23 and breaking them. And I know they have tightened
24 up on their end.

25 And the Water Department has not had

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2 that bad of a reputation. But it is annoying for
3 people who do follow the rules, that others do not.
4 And I would like to get a basic idea from your
5 perspective what your arrearages are, what's
6 uncollectable, who has been turning themselves back
7 on, that whole gamut of theft of services and why we
8 don't prosecute those people as the petty criminals
9 that they are.

10 COMMISSIONER KISHINCHAND: I couldn't
11 agree with you more.

12 In fact, I did write the District
13 Attorney's Office to see if they would make that a
14 priority and offer to fund a position in that office
15 to go forward with that. I'm sorry.

16 CHAIRWOMAN VERNA: I'm sorry. I
17 think the very first question that was asked,
18 Commissioner, is, what is your policy as far as
19 delinquents are concerned?

20 COMMISSIONER KISHINCHAND: The policy
21 is to shut them off after due notice.

22 CHAIRWOMAN VERNA: I beg your
23 pardon?

24 COMMISSIONER KISHINCHAND: To shut
25 off the water supply after they have been given due

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2 notice.

3 And the due notice is that they get
4 two notices after they are delinquent for 30 days --
5 because it is a monthly billing system -- and then
6 on the 91st day, I believe, they become eligible for
7 shutoff. And that is the policy.

8 COUNCILMAN KENNEY: How long after
9 eligibility, on average, are they shut off, if you
10 know? And if you don't, if you can get it.

11 COMMISSIONER KISHINCHAND: I'm sorry,
12 I don't. I don't have those numbers.

13 COUNCILMAN KENNEY: And how many
14 agreements are you permitted to make once you have
15 gotten the shutoff notice and you go in and you make
16 a deal, you pay so much money up front, and then you
17 get on a payment plan and you break that plan, how
18 many of those deals can you make before you are
19 actually shut off?

20 COMMISSIONER KISHINCHAND: I'm not
21 sure what Revenue Bureau policy is, but I will find
22 that out. And, if I may, I can send that
23 information to you.

24 COUNCILMAN KENNEY: Thank you very
25 much.

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2 CHAIRWOMAN VERNA: Thank you.

3 The Chair recognizes Councilwoman
4 Blackwell.

5 COUNCILWOMAN BLACKWELL: Thank you,
6 Madam Chair.

7 Certainly during these trying times,
8 not so much for the Water Department, but especially
9 in private industry, so many companies have
10 customers blame one another, when the excessive
11 profits go to the parent company.

12 And water is a common denominator.
13 If people don't have water, they are part of the
14 homeless population. You can't stay in. Even if
15 you live without light and live without heat, if you
16 don't have water, then you are a homeless person.

17 So my attitude is never one that we
18 need to try to route them off and shut them off for
19 any utility. Because times are hard. And I
20 remember days when we only paid a water bill maybe
21 twice a year. So people are suffering.

22 But I asked the Chair to speak to
23 ask, when Councilman Kenney was talking about
24 laterals, I thought about the problems we have in so
25 many of our neighborhoods -- although the Water

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2 Department is working every place, and I see them a
3 lot -- about 46th and Market.

4 I mention it every year during budget
5 recess because there, you know, we have some
6 corners, as you know, in the city where we don't
7 even know if we have a sewer inlet. And maybe it is
8 just the street and the curb have gotten so bad,
9 there isn't.

10 But that consistently, between 46th
11 and 44th has been a flooded area since I have been
12 in office, and before.

13 So I know it means that there has to
14 be something major underneath, because it is not as
15 small as a sewer inlet cleaning. It probably is
16 some reconstruction.

17 There is probably some reconstruction
18 effort needed, so that we don't have that massive
19 flood under the El tracks and going both ways. But
20 it is just a rough area.

21 And I don't know if this would take
22 that into consideration, or if that area is being
23 considered.

24 COMMISSIONER KISHINCHAND: 46th and
25 Market? We will take a look at it and see if, in

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2 fact, there is an infrastructure problem there.

3 COUNCILWOMAN BLACKWELL: Thank you.

4 CHAIRWOMAN VERNA: The Chair

5 recognizes Councilman Kenney.

6 COUNCILMAN KENNEY: I just have one
7 suggestion that I neglected to make on the issue of
8 shutoffs. And maybe you can discuss this with the
9 Water Revenue people. And I made this suggestion to
10 the Gas Works.

11 Because we license or allow cable TV
12 companies in the city to service a certain area,
13 perhaps we could have access to cable TV subscriber
14 lists, match with those with those in arrears, and
15 shut them off first.

16 Because if your priority is your
17 cable television and not your water or your utility
18 bills, I really have very little sympathy.

19 And I think maybe that would give us
20 a good idea as to where people's priorities are.
21 Because they know, for all intents and purposes, the
22 city is really not going to do anything about it.

23 I have had circumstances in the past
24 where we have had drug houses and other kinds of
25 problems where every utility that the city has any

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2 involvement with is in major arrears, except for the
3 Electric Company.

4 Because the Electric Company comes
5 out with two burly men and turns off your electric.
6 And if you turn it back on, they will be back
7 again.

8 And I think that's part of the
9 problem, is that we aren't expected to do anything.
10 And I think if we start doing it, we will shock some
11 of the people who can afford to pay.

12 And I think that no one in this
13 Council, including myself, will begrudge anyone who
14 is truly in need because of employment or
15 dislocation or serious illness a helping hand and
16 enough time to do what needs to be done to keep
17 their home in order.

18 But when it comes to people who
19 simply know we are not going to do anything about
20 it, I think those are the ones we need to go after.

21 COMMISSIONER KISHINCHAND: No. I
22 agree with you.

23 In fact, I think as far as people who
24 can't afford to pay, we have programs that help
25 them. We have loan programs, we have payment

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2 agreements, et cetera, and we work with them very
3 closely.

4 Those who do not pay, I couldn't
5 agree with you more. And I am hoping that once our
6 automatic meter reading program is in place, we will
7 then be able to detect the theft of water much more
8 readily than we are able to right now.

9 And, hopefully, we will reinforce the
10 efforts.

11 COUNCILMAN KENNEY: Thank you.

12 CHAIRWOMAN VERNA: Thank you.

13 Any other questions from members of
14 the Committee?

15 Miss Yancey, would you please read
16 the amendments that you are proposing?

17 MS. YANCEY: Yes. Has everyone
18 received a copy?

19 CHAIRWOMAN VERNA: Does everybody
20 have a copy?

21 Everyone has a copy.

22 MS. YANCEY: Okay. Section 1,
23 Authorization, Scope and Purpose, beginning with
24 Line 6, "City's General Water and Wastewater Revenue
25 Bond," that sentence should read, "City's amended

1 BILL NO. 970515

2 and restated General Water and Wastewater Revenue
3 Bond."

4 The next line, "Ordinance of 1989,"
5 open paren, "Bill No. 544," close paren, "approved
6 June 24, 1993," we'd like to insert there, open
7 paren, "the," quote, "general ordinance," end quote,
8 close paren.

9 We're still within Section 1. Last
10 sentence, Line 10, from Lines 10, 11, and 12, those
11 last three lines should be deleted. So, therefore,
12 the sentence prior to that should read, "1993, and a
13 second supplemental ordinance," open paren, "Bill
14 No. 771," close paren, "approved May 9, 1994,"
15 period.

16 Second paragraph of Section 1, last
17 sentence currently reads, "Such determinations shall
18 be deemed a further amendment and supplement to the
19 general ordinance."

20 We would like that sentence to read,
21 "Such determinations shall be deemed a supplement
22 to this supplemental ordinance," period.

23 CHAIRWOMAN VERNA: I believe on Page
24 7 there is one more?

25 MS. YANCEY: Within Section 7?

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2 CHAIRWOMAN VERNA: Yes.

3 MS. YANCEY: On the pink copy that
4 was provided by the Chief Clerk's Office, that
5 correction has been made.

6 CHAIRWOMAN VERNA: That was a typo?

7 MS. YANCEY: It was a typo, yes.

8 CHAIRWOMAN VERNA: Okay.

9 Thank you. Do we have anyone else to
10 testify on this bill?

11 Thank you very much.

12 COMMISSIONER KISHINCHAND: Thank you
13 very much.

14 CHAIRWOMAN VERNA: This concludes the
15 Public Hearing of the Finance Committee.

16 (Public Hearing adjourned at 11:20
17 a.m.)

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1
2 COUNCIL OF THE CITY OF PHILADELPHIA
3 PUBLIC MEETING
4 of the
5 COMMITTEE ON FINANCE
6 - - -
7 TUESDAY, SEPTEMBER 23, 1997
8 - - -
9 Public Meeting conducted by the Committee
10 on Finance, held in Room 400, City Hall,
11 Philadelphia, Pennsylvania, on the above date, to
12 consider action on the following bills:
13 BILLS 970517, 970515
14 - - -
15 PRESENT:
16 COUNCILWOMAN ANNA CIBOTTI VERNA, Chair
17 COUNCILWOMAN JANNIE BLACKWELL
18 COUNCILWOMAN HAPPY FERNANDEZ
19 COUNCILMAN JAMES F. KENNEY
20 COUNCIL PRESIDENT JOHN STREET
21
22
23
24
25

1 PUBLIC MEETING

2 CHAIRWOMAN VERNA: We will now go
3 into our public meeting.

4 The Chair recognizes Councilwoman
5 Fernandez regarding Bill No. 970517.

6 COUNCILWOMAN FERNANDEZ: Madam Chair,
7 I move that this Committee report out Bill No.
8 970517 with a favorable recommendation.

9 (Duly seconded.)

10 CHAIRWOMAN VERNA: Properly moved and
11 seconded that Bill No. 970517 be reported out of
12 Committee with a favorable recommendation.

13 All in favor will signify by saying
14 aye.

15 The motion is so carried.

16 The Chair recognizes Councilman
17 Kenney regarding the amendment on Bill No. 970515.

18 COUNCILMAN KENNEY: I move that Bill
19 No. 970515 be amended as read into the record by the
20 Deputy Treasurer.

21 (Duly seconded.)

22 CHAIRWOMAN VERNA: All in favor will
23 signify by saying aye.

24 The motion is so carried.

25 The Chair recognizes Councilwoman

1 PUBLIC MEETING

2 Blackwell regarding Bill No. 970515.

3 COUNCILWOMAN BLACKWELL: I move that
4 Bill 970515 be reported out of this Committee as
5 amended with a favorable recommendation.

6 (Duly seconded.)

7 CHAIRWOMAN VERNA: Properly moved and
8 seconded that Bill No. 970515 be reported out of
9 Committee with a favorable recommendation as
10 amended.

11 All in favor will signify by saying
12 aye.

13 The motion is so carried.

14 And the Chairwoman thanks Councilman
15 Street for coming in for this motion.

16 COUNCIL PRESIDENT STREET: Thank
17 you.

18 (Public meeting adjourned at 11:25
19 a.m.)

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C E R T I F I C A T I O N

I HEREBY CERTIFY that the foregoing
proceedings of the Council of the City of
Philadelphia of Tuesday, September 23, 1997, were
reported fully and accurately by me, and that this
is a correct transcript of same.

RE: COMMITTEE ON FINANCE

DEBRA A. WHITEHEAD, RPR