COUNCIL OF THE CITY OF PHILADELPHIA

COMMITTEE OF THE WHOLE

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Room 400, City Hall
Philadelphia, Pennsylvania
Tuesday, March 16, 2010
10:40 a.m.

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PRESENT:
COUNCIL PRESIDENT ANNA C. VERNA
COUNCILWOMAN JANNIE BLACKWELL
COUNCILMAN DARRELL L. CLARKE
COUNCILMAN W. WILSON GOODE, JR.
COUNCILMAN BILL GREEN
COUNCILMAN WILLIAM GREENLEE
COUNCILMAN CURTIS JONES, JR.
COUNCILMAN JAMES F. KENNEY
COUNCILWOMAN DONNA REED MILLER
COUNCILWOMAN BLONDELL REYNOLDS BROWN
COUNCILMAN FRANK RIZZO
COUNCILWOMAN MARIAN B. TASCO

BILL 100115 - An ordinance to adopt a Capital Program for the six Fiscal Years 2011-2016 inclusive.

BILL 100116 - An ordinance to adopt a Fiscal 2011 Capital Budget.

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COUNCIL PRESIDENT VERNA: Good morning, everyone. This is a public hearing of the Committee of the Whole.

I would ask Mr. McPherson to please read the title of Bill Nos. 100115 and 100116.

MR. McPHERSON: Bill No. 100115, an ordinance to adopt a Capital Program for the six Fiscal Years 2011 through 2016 inclusive.

Bill No. 100116, an ordinance to adopt a Fiscal 2011 Capital Budget.

COUNCIL PRESIDENT VERNA: I believe Mr. Greenberger is going to be testifying on the two bills.

(Witnesses approached witness table.)

COUNCIL PRESIDENT VERNA: Good morning. Welcome.

MR. GREENBERGER: Good morning. I just need to get my glasses on, too.

Good morning, Council President Verna, and good morning, members of City Council. I am Alan Greenberger, the

3/16/10 - WHOLE - BILLS 100115 & 100116

Executive Director of the City Planning Commission. I am here today to present, for your review and consideration, the Recommended FY2011 to 2016 Capital Program and FY2011 Capital Budget, as approved by the City Planning Commission at its meeting on March 2nd, 2010.

The Philadelphia Home Rule Charter stipulates that the City Planning Commission prepare and submit to the Mayor a Recommended Capital Program and Budget. As you know, the Recommended Capital Program is a proposed six-year plan for investing in the City's physical and technology infrastructure, community facilities and public buildings. The Capital Budget is the first year's spending recommendation.

For several months each year beginning in August, the City Planning Commission staff works closely with the Finance Department's Office of Budget and Program Evaluation, Department of Public Property, Managing Director's Office and

City operating departments to prepare the Recommended Capital Program and Budget. It is a highly collaborative, labor-intensive and iterative process, and we believe it yields a program and budget that carefully balance the capital needs of the City's facilities with limited resources.

As in years past, the availability of new City tax-supported general obligation funding for capital projects depends on two factors: One, the City debt limit established by the Pennsylvania Constitution; and, two, the City's capacity to service debt on these borrowed funds.

This year, based on these factors, we are able to recommend more new City funding for both the budget and six-year program than we have in at least a decade. Nearly $103 million -- that's in the first year -- and nearly $556 million, respectively. This increase will allow us to become more aggressive in our work, which, for the most part, addresses long-term deferred maintenance.

The $103 million in new City funds for FY2011 is essential to leveraging many other funds, for a total of nearly $2.5 billion in the budget year. Over its six-year timeframe, the FY2011 to 2016 Capital Program recommends more than $7.9 billion in funds from a variety of sources. There are 73 new projects for FY2011, as well as many ongoing projects that we recommend be carried forward from previous years. Generally, unobligated funds as of January 31st, 2010 are carried forward to enable continuation of projects budgeted previously.

Specifically, the nearly $2.5 billion FY2011 Capital Budget is made up as follows: $103 million will be provided by new general obligation bonds issued by the City of Philadelphia. These bonds are tax supported.

An additional $220 million will

come from carried-forward City tax-supported loan funds. Other City sources, including PICA funds, pre-financed loans, operating revenue and revolving funds, total $74 million.

City self-sustaining loans and revenues for the Philadelphia Airport and Water Department amount to more than $1.3 billion. Funding from other levels of government - federal, state and regional sources - totals $642 million.

And, lastly, $92 million will be provided by private sources, more than three-quarters of which falls under Aviation as, quote, "passenger facility charges."

Throughout our process of developing the Recommended Budget and Program, we follow several important principles. One, address critical life-safety needs and court-mandated requirements; two, provide quality facilities needed to support the delivery of essential public services; and, three, leverage federal, state and private resources wherever possible.

Additionally, projects included in the Recommended Capital Program and Budget advance the four stated goals of the Administration's Philadelphia Plan: To, one, foster economic recovery and jobs; two, enhance public safety; three, invest in youth and protect our most vulnerable; and, four, reform government.

I'd like to highlight some of the key projects in the FY2011 Recommended Capital Budget.

Capital projects that help to foster economic recovery and jobs include: More than $1 billion of federal, state, private and City new and carried-forward self-sustaining funds are recommended to enable the Philadelphia International Airport to improve service for air traffic and travel to and from Philadelphia, through terminal expansion and modernization, airfield renovations and additions, and enhancements to security systems.

We recommend the Commerce Department spend $3.9 million in City and federal funds on Navy Yard infrastructure improvements to support public and private development at this important employment center.

More than $8.8 million in City, federal, state and private funding is recommended for plans and improvements along the Central and North Delaware River waterfronts and an additional $4.3 million in City, state and federal funding for Schuylkill Riverfront improvements.

Last in this category, SEPTA bridge, track, signal and infrastructure improvements to help enable access to work and other destinations for Philadelphia's population, $95.3 million dollars in state, federal, City and other monies is recommended for such projects.

Projects that support enhancing public safety include: Nearly $2 million in new City funds is recommended to be used for roof replacements and mechanical, electrical and plumbing renovations at seven police facilities. Three million in new City and federal funding is recommended to build a Crime Response Center at the Police Headquarters.

We recommend the Philadelphia Prison System use $2 million in new City funds for an automatic lock security system at the House of Corrections detention facility.

A total of 17.5 million in new City funds is recommended to fund street reconstruction and resurfacing across the City's neighborhoods, improving the safety of our roads.

And last in this category, to improve quality of life in neighborhoods, $1.5 million in new City funds is recommended for GreenPlan Philadelphia initiatives through the Managing Director's Office, focusing on safe open space and greening projects citywide.

Capital projects that invest in youth and protect the most vulnerable include: Recommended Free Library improvements total nearly $1.3 million in new City funds and include HVAC, interior and exterior renovations at several branches.

More than $1.9 million of new City funds and operating revenue is recommended for health facility improvements and renovations.

Six point nine million dollars in operating revenue from the Hospital Tax Assessment Fund is recommended for the first phase of building an electronic health records system at the Health Department.

More than $14 million in new City funds is proposed to fund a variety of improvements to Recreation Department facilities and infrastructure across City neighborhoods.

And lastly in this category,

$2.5 million in new City funds is recommended for Fairmount Park to plant new park and street trees throughout the City, which, among other benefits, helps to bring nature to children in the City.

Last, projects that help to reform government include: A major investment of $25 million of new City funding is recommended for the Division of Technology, for City government's information technology to stabilize and enhance network infrastructure and for citywide and specific departmental applications and functions.

Five-hundred thousand dollars of new City funding will enable the Office of Sustainability within the Managing Director's Office to continue implementing energy efficiency improvements across City facilities, including, but not limited to, boiler upgrades, HVAC equipment and controls, and lighting technology improvements.

A total of nearly $5 million of

new City funds is recommended for the Department of Public Property to continue making functional improvements to major City government buildings such as completing the multi-year renovation of the exterior of City Hall.

In FY2011 and FY2012, new City funds of $520,000 are recommended to leverage federal grant funds of nearly $2.1 million for the Streets Department for a new Traffic Operations Center to improve citywide traffic management. Another $400,000 of new City funds will leverage $1.6 million in federal grant funds for 50 additional traffic cameras throughout the City to complement the Traffic Operations Center.

Last in this category, $312,000 in new City funds is recommended to match and leverage more than $13.6 million in other sources of funds to upgrade SEPTA's control center for operating its ADA and shared-ride programs.

I hope that this sampling

demonstrates the variety of projects recommended for funding and how the FY2011 to 2016 Recommended Capital Program seeks to make strategic targeted investments in Philadelphia's infrastructure, using our limited resources for the greatest public benefit.

Thank you for your attention, and I am happy to address any questions you have. I'd also like to note that the leadership of City departments is present, in addition to representatives from the Department of Finance and the Department of Public Property, to assist in answering your questions.

COUNCIL PRESIDENT VERNA: Thank you very much, Mr. Greenberger.

In your testimony, you state that the City will be investing in technology infrastructure and community facilities. What do you mean by "community facilities" and how are they different from public buildings?

MR. GREENBERGER: Okay. I'm going to ask -- we'll start with technology.

I'm sorry. It's being suggested that I misunderstood your question. Just give it to me again.

COUNCIL PRESIDENT VERNA: Well, I think he ought to come up anyway.

MR. GREENBERGER: That's all right.

COUNCIL PRESIDENT VERNA: I said in your testimony, you state that the City will be investing in technology infrastructure and community facilities. What do you mean by "community facilities" and how will they be different from public buildings?

MR. GREENBERGER: Okay. We don't need him yet. We'll get him in a moment.

The community facilities really refers to a whole range of things that do include in fact public buildings. So, for example, there's money in this plan

3/16/10 - WHOLE - BILLS 100115 & 100116
for recreation facilities, which are in fact public facilities.

COUNCIL PRESIDENT VERNA: This year's Capital Budget and Program make significant investment in the Division of Technology. What type of equipment and/or systems will the City be acquiring, and can you tell us what the useful life is for these items?

MR. GREENBERGER: See, I knew I would need him.

COUNCIL PRESIDENT VERNA: I said you might as well have him up.

(Witness approached witness table.)

COUNCIL PRESIDENT VERNA: Good morning.

MR. FRANK: Good morning. I'm Allan Frank, the City's Chief Technology Officer.

COUNCIL PRESIDENT VERNA: You heard the question?

MR. FRANK: I heard the question. In terms of in 2011, what we're looking at in terms of equipment is to replace aging hardware across the City. In particular, we're talking about network equipment, equipment related to disc storage and communication equipment, and in the case where computers themselves are dying, replacing them.

COUNCIL PRESIDENT VERNA: What is the useful life for these items?

MR. FRANK: Generally, I would say that the general useful life would be in the five- to eight-year max range. Generally, I would use five years.

COUNCIL PRESIDENT VERNA: Thank you very much.

Mr. Greenberger, has the City Controller signed off as to the eligibility for capital funding?

MR. GREENBERGER: Let me ask Mr. Agostini to come up. He can answer that question.

(Witness approached witness table.)

COUNCIL PRESIDENT VERNA: Good

morning.

MR. AGOSTINI: Good morning. Steve Agostini, Budget Director for the City.

We have not yet discussed the Capital Plan with the City Controller's Office. We anticipate we'll do that in the coming weeks and expect that they will provide an opinion on the eligibility for all the items in the plan.

COUNCIL PRESIDENT VERNA: Because I know we had a delay this year and I thought we could avoid that this year.

MR. AGOSTINI: Agreed.

COUNCIL PRESIDENT VERNA: What efficiencies and/or savings have been included in the proposed Five Year Plan due to these IT expenditures?

MR. AGOSTINI: Madam Chair, members, we had a very lengthy conversation internally about what we should include in terms of savings, and we recognize that given the scale of the investments that we're looking at, particularly in the first year, that over the long term, there should be some savings either in the form of personnel savings or in just general efficiencies and improvements in productivity. We thought, however, it was prudent not to budget those savings over the life of the plan so that if they did materialize, that we could then capture them.

I would also say that given my first six months here where there was an investment in a particular system where we anticipated savings to materialize and those savings did not materialize, I've been a little reluctant to actually budget those dollars, because then if they don't materialize, we're stuck in later years.

So we had the conversation and we decided it was prudent not to place those savings in, but it is reasonable to expect that there will be some savings over the length of the investments.

COUNCIL PRESIDENT VERNA: Thank you.

Mr. Greenberger, on Page 2 of your testimony, you mention addressing long-term deferred maintenance. What is the amount in the 2011 Capital Budget for addressing this problem?

MR. GREENBERGER: I couldn't answer that for you right now, but I'd be happy to get back to you. I just need to add up a series of items.

COUNCIL PRESIDENT VERNA: On Page 2 of your testimony, you mention that an additional $220 million will come from carried-forward City tax-supported loan funds, PICA funds, preferred -- I'm sorry; pre-financed loans, operating revenues, et cetera. Can you tell us the amount of carry-forward funds and the year that it originated?

MR. GREENBERGER: Well, the amount that we're showing for carry-forward is $220 million, but, again, I'll have to do a more detailed analysis and get back to you on how much came from which year. I'll be happy to do that.

COUNCIL PRESIDENT VERNA: Can you tell us why it takes so, so long to spend these funds, and what is being done to expedite this process?

MR. GREENBERGER: I'll give it a try. You asked that last year. It was a good question then. It's a good question now.

A lot of times the carry-forwards happen because some money is in the Capital Budget that leverages other money. That other money obviously comes from other sources, and those other sources, be they state or federal, they take time to secure the money, put it in hand that enables projects to move forward. So some of the carry-forward -- and I couldn't tell you off the top of my head how much of it, but some of that carry-forward simply comes from the

3/16/10 - WHOLE - BILLS 100115 & 100116

mechanics of multi-levels of government working to secure the needed pots of money to move projects forward.

Other carry-forwards come from the need for projects that extend over multiple years that occasionally run into delays. That does happen. Things like weather delays, for example, could send projects back by several months, the kind that we had this year.

So there's no single answer. It's a very wide variety of answers why there's carry-forward. Our interest as an Administration is in minimizing, to the greatest extent we can, the carry-forward. We would like to be budgeting things that get spent in the year that they're budgeted, but we recognize that that's not a realistic goal to achieve at 100 percent.

COUNCIL PRESIDENT VERNA: We'd like to see that happen, too.

On Page 3 of your testimony, you mention that seven police facilities will be renovated. Can you tell us the facility and the renovations that they will undergo?

MR. GREENBERGER: Yes. Let me get Gary Knappick up here from the Department of Public Property. He can give you the rundown on that.

(Witness approached witness table.)

MR. KNAPPICK: Good morning, Madam President. I'm Gary Knappick from the Department of Public Property. I'll attempt to answer your question.

This is the book that we developed for all the capital projects requested. I'm going to have to take a look in the book. It will take me a minute to find out exactly which ones.

COUNCIL PRESIDENT VERNA: Thank you.

MR. KNAPPICK: I'm sorry. The Budget Office had that information right at their fingertips.

For Police facilities, we have

roofs, roof replacements at PD 5, PD 12, PD 14, PD 28 and the AID unit, that's the Accident Investigation Units. We have mechanical, electric, plumbing improvements at PD 35. We have some work also at the -- improvements, MEP improvements, at the Police Academy. And I believe the Crime Response Center was always in there or also included in there for $2.5 million of federal funding.

COUNCIL PRESIDENT VERNA: What is the Crime Response Center?

MR. KNAPPICK: The Police could probably better answer that, but that's really a realtime crime response center where all of their various computers and communication systems come to one spot, the AFIS system, fingerprint identification. I think they have links to federal systems, but I think they can give you a better answer to that, if you'd like.

(Witness approached witness table.)

COUNCIL PRESIDENT VERNA: Good morning.

DEPUTY MAYOR GILLISON: Good morning. Everett Gillison, Deputy Mayor for Public Safety.

The realtime crime center is an electronic and a data analysis center for the Police. It would be at the Police Administration building. As Mr. Knappick has said, that it would actually link across systems between fed, state and local, and also get data that we are going to be pushing from the street to the center at the Police Administration building and then be able to communicate back out. So it's a realtime analysis.

For example, when you go to a scene, we will have the ability to take data from the scene, push it back, have it analyzed and push it right back out to the scene at the police location. So it is done in realtime in order to make sure that we can do our investigations and complete them in a timely way.

COUNCIL PRESIDENT VERNA: So --

COUNCILMAN GREEN: Point of --

COUNCIL PRESIDENT VERNA: So this is something new?

DEPUTY MAYOR GILLISON: Yes.

COUNCILMAN GREEN: Point of information.

COUNCIL PRESIDENT VERNA: Yes. Councilman Green.

COUNCILMAN GREEN: Thank you, Madam Chair.

With respect to the questions about the Capital Budget and Police and Fire, two of the items you mentioned were in the PICA 2007 report with respect to roofs, and I have a schedule from the Department of Public Property last year that told us when the critical projects that were identified in the PICA October 7 report would be completed. The status for what you mention is MEP projects, mechanical, electric and plumbing, the cost we have from you last year is 4,477,000. I'd like to confirm that you're talking about spending the same amount of money. That project was scheduled for completion March 2010. Has that been completed?

MR. KNAPPICK: No, that hasn't.

COUNCILMAN GREEN: Has it been started?

MR. KNAPPICK: Yes. We have just completed the assessment phase.

COUNCILMAN GREEN: So has actual construction started?

MR. KNAPPICK: No. What we did is, we did a more detailed assessment. I think the overall PICA report for the facilities that we identified had somewhere in the order of $10 million of critical improvements to those facilities. We reassessed them from a systems perspective, not just a correction perspective, where we evaluated the life cycle of the equipment, and we're coming up with about $14 million. We've disseminated that information, because we know money is scarce, into the best possible use. We split it up into, I believe, three packages, and they are currently being designed.

COUNCILMAN GREEN: I have the same question for you with roof replacement. It was 2,000,134 last year, and the completion of all work was scheduled for June 2010. Has any of that physical work begun?

MR. KNAPPICK: That has not been done. We have one of the facilities that -- there was one police roof, the 22nd and 23rd.

One of the things we did when we got that information was to go to the sites and take a look for ourselves to see if the roofs that were identified as the most highly critical were in fact in need of replacement, and we found that there were a few of them that didn't belong there and a few that did. Here again, we're in the process of designing them, and I can get you a better date.

It's back at my chair.

COUNCILMAN GREEN: No. That's fine. We asked these same questions about the PICA report in 2008. We asked them in 2009. It's now 2010. A lot of studying is going on. Every year we get the same answer. We looked at it, we reached our own conclusions. So this is the third year in a row we've looked at it and we haven't begun any construction of a new roof or -- and these were critical life-safety issues in buildings where policemen and firemen work.

I just want to suggest that that's just not acceptable to not have done that work, when we have appropriated that money for three years in a row. It's been in the Capital Budget all that time.

MR. KNAPPICK: You're correct, and I can't say that we've -- we actually had the RFPs out on schedule during the course of the assessments. We've had some staffing limitations. Everything is in design. For example, the SWAT --

COUNCILMAN GREEN: I know you don't make the decision about when it gets done, but how many jobs do you think would have been created had we begun these projects this year?

MR. KNAPPICK: Quite a few. I did take a look at that from an overall perspective in the department, and by my analysis, we -- I look at the total expenditure in the division, and we create on an average -- I'm looking at about five years -- of about 250 jobs, full-time jobs. If you translate the dollars to labor and supplies, somewhere in the order of 250 local jobs per year based on the expenditure, and our expenditure is -- and you're absolutely right -- only as good as what we can output.

COUNCILMAN GREEN: On the same line, by this time this year, there was going to be a purchase of Maximo property management system and all of the City's facilities were going to be put into it and we'd know the sort of structural repair situation of all -- and we'd have a commercial off-the-shelf property management system. Has that been done yet?

MR. KNAPPICK: No, it hasn't.

COUNCILMAN GREEN: Thank you, Madam Chair.

COUNCIL PRESIDENT VERNA: Have we completed the list of the seven police facilities that are scheduled for renovation?

MR. KNAPPICK: I thought I did. Would you like --

COUNCIL PRESIDENT VERNA: I'm asking. Did we?

MR. KNAPPICK: Yes. When completed -- yes, I've identified the list to you. I'm not sure if I understand the question completely.

COUNCIL PRESIDENT VERNA: Thank you.

The Chair recognizes Councilman

Goode.

COUNCILMAN GOODE: Thank you, Madam President.

Good morning, Mr. Greenberger.

MR. GREENBERGER: Good morning.

COUNCILMAN GOODE: On Page 2 of your testimony, you say the Recommended Capital Program and Budget advance the four stated goals of the Administration, the first being to foster economic recovery and jobs. I have a series of questions with regard to that.

Aside from safety and the level of deterioration of some of our infrastructure, is there any prioritization of projects based upon labor intensity?

MR. GREENBERGER: No. I don't think it's -- we haven't evaluated it based on labor intensity. If I understand, you mean which ones are likely to produce the most jobs?

COUNCILMAN GOODE: If we have experienced a recession on all levels and our recovery on all levels has pretty much been a jobless recovery and you have to choose between projects, don't you think it appropriate to have some prioritization based upon labor intensity?

MR. GREENBERGER: I think that's a reasonable measure to ask, yes.

COUNCILMAN GOODE: And in doing so, are there any goals set for Philadelphia workers?

MR. GREENBERGER: No, there are not.

COUNCILMAN GOODE: Are there any goals set for Philadelphia businesses?

MR. GREENBERGER: No.

COUNCILMAN GOODE: Are there any goals set for disadvantaged workers or disadvantaged businesses?

MR. GREENBERGER: Yes, there are. There will be Office of Economic Opportunity involvement in each of these projects, setting goals for minority, women and disadvantaged businesses.

COUNCILMAN GOODE: You said "there will be"?

MR. GREENBERGER: Yes.

COUNCILMAN GOODE: So that has not been planned already? You don't know what --

MR. GREENBERGER: Well, that will be the subject, I'm sure, of later testimony in the month or I guess next month, but --

COUNCILMAN GOODE: Mr. Greenberger, I don't know if you're familiar with this, but we've been real emphatic, particularly in the Commerce and Economic Development Committee, about the fact that every time we ask a question of a department, they always point to the Office of Economic Opportunity, and there seems to be a disconnect. We've made that point throughout several hearings.

I guess my question is, based upon the fact that you are the Acting

Commerce Director and you oversee the Office of Economic Opportunity and the Mayor has set a goal of at least 25 percent DBE participation for Fiscal Year '11, and through the disparity studies that we've done, we actually know that the capacity of disadvantaged businesses in public works has grown and is growing. So there's a capacity to do more work. So my question is, in terms of the Fiscal Year '11 Capital Budget, how is that expected to contribute to the Administration's goal of reaching at least 25 percent participation by disadvantaged businesses, knowing the capacity has grown and is growing?

MR. GREENBERGER: Every single --

COUNCILMAN GOODE: And I think that it's appropriate that there be a broad view of that in terms of the overall Capital Budget and that you not refer back to departments, who are only going to say the same thing you say, is that, Well, we're talking to the Office of Economic Opportunity.

MR. GREENBERGER: Well, let me finish my answer, because we're in complete agreement here.

When I started to say that, what I wanted to finish saying was that every single department is being charged with setting goals, working with the Office of Economic Opportunity on what those goals should be, and the aggregate is this 25 percent target. So while I can't answer for a specific project about what those goals are going to be, the aggregates per department have been set. They now are responsible, and they will be answering to you through these budget hearings.

COUNCILMAN GOODE: And I will ask the question of each department. I'm asking today -- I think it's an appropriate question -- for the Capital Budget, because we're expected to approve a bill that's specifically for the

3/16/10 - WHOLE - BILLS 100115 & 100116

Capital Budget, what are the goals for participation for that money?

MR. GREENBERGER: I'm sorry. I just didn't hear the last part of that.

COUNCILMAN GOODE: What are the goals for participation for that money?

MR. GREENBERGER: The aggregate goal is the 25 percent, and you'll hear from each of the departments their specific goals.

COUNCILMAN GOODE: So the goal for the Capital Budget is 25 percent as well?

MR. GREENBERGER: Yes. That's right.

COUNCILMAN GOODE: Thank you, Madam President.

Thank you, Mr. Greenberger.

COUNCIL PRESIDENT VERNA: You're welcome.

The Chair recognizes Councilman Greenlee.

COUNCILMAN GREENLEE: Thank you, Madam President.

The first question kind of was a follow-up to what the Council President has been raising on the Police facilities. I don't know if maybe Mr. Gillison could answer it. It's a bit of a general question.

I know Commissioner Ramsey has said before when he's been in here about the pretty deplorable conditions of a number of the facilities. Now, this money that we're doing in these seven facilities, are there still some left to do that are in that critical stage -- and Councilman Green talked about the PICA report -- or are we pretty much up -- will this take us up to at least making them, all of them, reasonably maintained, if I'm making sense?

MR. KNAPPICK: Councilman Greenlee, you do make sense. This won't even get us close.

COUNCILMAN GREENLEE: It won't even get us close, you're saying?

MR. KNAPPICK: It won't even

get us close to where we need to be with the facilities.

COUNCILMAN GREENLEE: So there's still a lot --

MR. KNAPPICK: A lot to do.

COUNCILMAN GREENLEE: I thought there was probably a lot more out there, but I just wanted to get it on record. Okay. That's not good news, but at least --

MR. KNAPPICK: Well, we're just trying to attack the highest priorities.

COUNCILMAN GREENLEE: I understand. And these are at least the most needed at this particular moment?

DEPUTY MAYOR GILLISON: That's correct.

MR. GREENLEE: Thank you.

I guess the other question I had was Streets Department related. On the money for the street reconstruction and resurfacing, is that total taking obviously the lovely winter we've had or have these been long-range things, streets have already been planned?

MR. GREENBERGER: I'm going to get the right person up here to answer that. Commissioner Tolson will answer that.

COUNCILMAN GREENLEE: I didn't know she was here. Okay. Great.

MR. GREENBERGER: I didn't either.

(Witness approached witness table.)

COUNCILMAN GREENLEE: I don't know if the Commissioner recovered from all that snow removal.

COMMISSIONER TOLSON: Still a little hoarse.

Good morning. My name is Clarena Tolson, Commissioner of the Department of Streets.

Councilman, you asked the question about the resurfacing for streets. The change in dollars that you see for resurfacing does not reflect the impact of this winter. They instead reflect longer-term planning. So we had planned to have the level of resurfacing that is already noted in our books.

COUNCILMAN GREENLEE: Yeah. I assume usually you plan a couple years ahead of time at least on the major projects of resurfacing.

COMMISSIONER TOLSON: Certainly the year before.

COUNCILMAN GREENLEE: I guess this is more operation, but I guess there will have to be more effort put into at least the pothole repairs and all dealing with that because of the snowstorm? I assume that generated more problems this year, right?

COMMISSIONER TOLSON: Yes. Because of the freeze/thaw cycles that we experienced this year, we have extremely poor conditions on our streets relative to potholes. Potholes are naturally occurring and asphalt has popped out in many of our streets around the City, and we've been aggressively working to address them.

That type of repair is handled not through our Capital Budget but instead through our General Fund budget as a normal maintenance item.

COUNCILMAN GREENLEE: Okay. While you're there, could you explain the new Traffic Operation Center? Could you just go into a little detail of what that is?

COMMISSIONER TOLSON: Surely. We're looking towards an exciting Traffic Operation Center, which will allow for the overall citywide management, synchronization and control of our traffic signals around the City.

COUNCILMAN GREENLEE: So it revolves around signaling?

COMMISSIONER TOLSON: Yes. Signals is a major portion of that.

COUNCILMAN GREENLEE: So what would that mean --

COMMISSIONER TOLSON: And -- I'm sorry. Go ahead.

3/16/10 - WHOLE - BILLS 100115 & 100116

COUNCILMAN GREENLEE: I'm sorry. Does that mean that when there's outages, that they will be able to be both reported and dealt with more quickly? Is that the idea?

COMMISSIONER TOLSON: Surely. Certainly not on every street around the City, but we'll be able to deal with the problems with outages, the problems with disrepair, some remote control of that, also monitoring of traffic and the ability to manage traffic through timing, remote timing, of our signals.

COUNCILMAN GREENLEE: So --

COMMISSIONER TOLSON: On certain corridors.

COUNCILMAN GREENLEE: Okay. Just give me an example. I know out in the University City area there seems to be some power outages lately like around 34th and Market, 36th and Market. Through this, would that be able to make you more timely get to those problems?

COMMISSIONER TOLSON: I don't

know that necessarily like a bulb out or things like that will be known. However, if there were major glitches in the system, possibly if we have something like a knockdown that causes some major or significant electrical problem or something else that may be impacting on our grid, we might be able to see that, but not things like bulbs out.

COUNCILMAN GREENLEE: Okay. Thank you.

Just one last -- this is not for the Streets Department. It's for Fairmount Park. I know Mr. DiBerardinis was here. I was just wondering on the $2.5 million for new park and street trees, is there a split on that, like how much in the park, how much for street trees? I mean, they're both needed. I was just wondering if there's any definitive split there.

(Witness approached witness table.

COUNCILMAN GREENLEE: Good

morning.

COMMISSIONER DiBERARDINIS: Hi. I'm Michael DiBerardinis, Parks and Recreation Commissioner.

Councilman, we have not specifically allocated the funds to how much would be park, how much would be street trees. However, we want to employ as many different strategies that we can leverage that money with other contributions and other donations. We want to engage the citizens who care about this and are interested in their neighborhoods, and we want to sort of improve the parkland as well. So we will soon be working on that program that would get us the maximum amount of trees with the most leveraged resources and the most citizen engagement.

COUNCILMAN GREENLEE: All right. Thank you. Thank you, Commissioner.

Thank you, Council President.

COUNCIL PRESIDENT VERNA: The

3/16/10 - WHOLE - BILLS 100115 & 100116

Chair recognizes Councilman Green.

COUNCILMAN GREEN: Thank you, Madam Chair.

I'd like to bring Allan Frank back and just go through in detail on Page 33 what this IT investment is going to be spent on.

(Witness approached witness table.)

COUNCILMAN GREEN: So 9.33 million on network infrastructure stabilization and enhancement. How do you break that down?

MR. FRANK: In 2011 -- by the way, Allan Frank, Chief Technology Officer. Thank you.

The 9.33 million in 2011 for network infrastructure is being spent in a number of categories. I can read through it, if that's what you'd like, Councilman.

COUNCILMAN GREEN: Do you have it in writing?

MR. FRANK: I have it in

writing. I have a spreadsheet that totals up to the $9.3 million.

COUNCILMAN GREEN: Can I take a look at that? That would save us some time.

MR. FRANK: Would you like to look at it right now, sir?

COUNCILMAN GREEN: Do you have a copy for us?

Thanks. I'll come back to this then. It looks like it's going to be very helpful. Thank you.

During last week's testimony on the Five Year Plan operating, there was testimony about the insufficiencies of the City's current system to do zero or program-based budgeting and discussion about prioritizing Finance-related systems in the IT capital spending.

Does any of this spending get us to the place where we have Finance combined with ERP, et cetera, in 2011?

MR. FRANK: Councilman, yes. As a matter of fact, under the category of Citywide Applications in the book on Page 33 where we've allocated $13,167,000, in effect, this really is to allow us to start the, in large measure, implementation of what's called an Enterprise Resource Planning system, or ERP. In particular, we are looking at over a period of years implementing three broad areas of this system, the first being time capture, human resources, payroll and pension, and that in 2011 is where the largest amount of dollars, if you will, in this category is being spent to start that project.

COUNCILMAN GREEN: I sit on the Private Sector Outreach Board. We had a meeting this morning, and it was the clear consensus of that group -- and I don't want to name names -- that basically you have to have Finance and Budget as part of the initial implementation or you're not going to get the benefits of the investments that we're making, because we won't have all the management tools necessary in place. And this is from -- and I'm just wondering if we can make that happen with this money in 2011.

(Witness approached witness table.)

MR. AGOSTINI: Councilmember, when we talked about the plan with Allan Frank and others and Planning, we tried to identify where there was such critical need that we were on the verge, in some cases, of failure. The financial systems that we have currently, thankfully, don't fit into that category. They function. We have a financial system, FAMIS, that works. We have a budgeting system, although not necessarily the state of the art, that works. There are things we would like to have, and I've mentioned this to you in private. There are some things we would like to have.

As I understand it from the plan, Allan has teed up a review of that starting in FY13, where I think there's approximately $2 million that's been allocated for that purpose. I think because of where we are with the other systems, certainly those of us in Finance would say please take care of these other things first before you move to the financial systems. We can get along for the next couple of years.

COUNCILMAN GREEN: Well, I would disagree that we can get along, because we can't get a straight answer about how many positions are in what department, what are filled, what are unfilled, who performs what function, et cetera, and until you combine budgeting with ERP with all that stuff, we're not going to be able to get the kind of information we need to do a thorough analysis of what's presented to us.

But my time is up. Please feel free to respond, if you'd like.

MR. FRANK: First of all, though we said we're implementing HR, time capture and others first, we are really looking at purchasing and implementing the entire integrated suite, which includes Finance and I think what you're referring to in terms of implementation sequencing of what part of the financial modules have to go up perhaps before these other things, and my answer really is is that the first thing you have to do is the right planning up front. So, frankly, what we actually are starting now as a part of this process is what we're calling that implementation planning, which would tell us what part of the general ledger, if anything, has to be implemented to achieve the goals that you're speaking of. But conceptually, what we're saying in terms of getting the benefit across the City, we felt there was a significant, significant impact on the administrative side by dealing with time capture, human resources, understanding our people and, most importantly, where it end the life with those other two systems, pension and payroll.

But I think in fact you're correct in terms of having to look at Finance, and we've taken that into account, but, generally speaking, the brunt of implementation we believe in 2011 has to be around time and people.

Thank you.

COUNCIL PRESIDENT VERNA: The Chair recognizes Councilwoman Tasco.

COUNCILWOMAN TASCO: Thank you very much.

I have a question relative to the Recreation Department. I noticed in your testimony you talked about roofs for police stations, fire stations. In the past, there was an effort for the Recreation Department to bundle all of the roof repair for all of the facilities to get better pricing. Is that plan for this year in terms of the roofs?

COMMISSIONER DiBERARDINIS: Councilwoman, I don't know. Maybe someone from the Capital Budget Office.

I have not had that conversation with the Capital Budget Office at this point. We can get back to you. I mean, certainly if it makes sense, we'll do it if we can.

COUNCILWOMAN TASCO: Well, I have a roof at Finley and it's really causing a lot of damage, and I'm being asked to use my money to repair the roof, but the practice in the past has been to bundle those projects and do all of the roofs around the City out of one contract.

So I'd like to have an answer for that, please.

COMMISSIONER DiBERARDINIS: We will. We'll get it to you real fast. And if it makes sense, we will certainly do it. If we can figure out how to do it and there's enough projects, we'll give it a shot.

COUNCILWOMAN TASCO: Okay. Thank you.

COUNCIL PRESIDENT VERNA: Did the gentleman from the Capital Office leave? No. He's still here.

I think that you could respond to Councilwoman Tasco's question.

MR. AGOSTINI: Madam Chair, I think the issue is that, to the Councilwoman's question, the capital planning that takes place within the Recreation Department can make that decision and can indeed bundle those things together. I think that has been done in the past. I think the question is for the planning on the Recreation side, sort of where they are in terms of have they designed, are they ready to go to bid, can they bid a number of these together, and I think that's a question that they can answer.

(Witness approached witness table.)

COUNCILWOMAN TASCO: Is this gentleman going to answer the question?

MR. KNAPPICK: Actually, I don't know as well. What we generally do try to do is bundle roofs. If we have a number of roofs for a particular department that are of the smaller variety, the 1,500, you know, square foot and things of that nature, it always made more sense for us to put them all together. That way, we get them all out in the street at once.

In this particular case, I'm not sure if Finley is in that -- in a grouping. Sometimes if we're working on various other renovations, MEP renovations, interior renovations for a facility, ADA, we'll put the roof in with those other renovations.

COUNCILWOMAN TASCO: Well, if you have recreation facilities that need roofs, is there a way you could tie them in with the roofs of the Police Department?

MR. KNAPPICK: Yes. We've done that. We've put various departments in. The problem comes a little bit with the budgets, because when we budget for each particular department, they have a set amount, and we'll estimate the amounts based on our own internal estimates. When the bid comes in, however, it's a lump-sum bid. So it's hard to discriminate on how much goes to what.

COUNCILWOMAN TASCO: Well, do you have a request for roofs for recreation facilities from other districts?

MR. KNAPPICK: I would have to get back to you on that, on the detail on the Recreation budget, but I might be able to find out in a second.

COUNCILWOMAN TASCO: Would you let me know? I'd like to know that.

MR. KNAPPICK: Sure. Would you like me to get back? I might be able to ask our Project Director right now.

COUNCILWOMAN TASCO: Sure.

(Pause.)

MR. KNAPPICK: I've been advised that there are no roofs in the FY11.

COUNCILWOMAN TASCO: But do

they have requests for roof repair in the department?

MR. KNAPPICK: That I'm sure they do, but I'm not sure if the facilities --

COUNCILWOMAN TASCO: Could somebody come and tell me how many and what they're going to do about it?

MR. GREENBERGER: Yeah. It looks like they're pulling -- I don't know whether the right people are here to pull the information together. Let us get back to you quickly on that, on all of these roof issues with the recreation centers.

COUNCILWOMAN TASCO: Today.

MR. GREENBERGER: We'll try.

COUNCILWOMAN TASCO: Thank you.

COUNCIL PRESIDENT VERNA: Are you finished, Councilwoman?

COUNCILWOMAN TASCO: Yes. Thank you.

COUNCIL PRESIDENT VERNA: The Chair recognizes Councilwoman Miller.

3/16/10 - WHOLE - BILLS 100115 & 100116

COUNCILWOMAN MILLER: Thank you, Madam President.

Good morning, Mr. Greenberger.

MR. GREENBERGER: Good morning.

COUNCILWOMAN MILLER: I have a few questions for now. I wanted to talk to -- the gentleman from the Fire and Police facilities is still there?

MR. GREENBERGER: One of them is here and Deputy Mayor Gillison is here. So, yes.

COUNCILWOMAN MILLER: Just mainly around the facilities.

A couple years ago I brought up the issue of how desperate the fire station at Carpenter Lane needs floor replacement, and it's really more than just a floor, and I was wondering has anybody been up there to take a look at that repair that's needed there?

MR. KNAPPICK: There were a about, I'm going to say, four floors that we had scheduled or had looked at and requested capital money for for the floors. I believe that's one of them. They were in pretty bad shape. And in some cases -- and we're not completely sure whether there's structural problems associated with the floor as well. Unfortunately, some of the money that we had set aside for that was redirected to the point source capture systems for the facilities.

COUNCILWOMAN MILLER: It was redirected to what?

MR. KNAPPICK: To the point source capture systems for all the fire stations. They're the exhaust removal systems for the vehicles.

COUNCILWOMAN MILLER: Well, I go to Carpenter Lane and Germantown Avenue to get gas and I was there again today getting gas, and I took some pictures of the floor, and it is in disgraceful shape. I mean, at this point -- and it gets worse and worse. At this point, they have mats down so that when they back in, without the mats, when they back in, it blows the tires. So they have to have these big mats down.

I would love to have gotten much better pictures, and it looks like structural problems are taking place. They have cracks in the wall, cracks in the ceiling. And I also went in the basement this morning.

That station is in desperate need of a new floor. And it's not just a floor. It's terrible.

DEPUTY MAYOR GILLISON: Councilwoman --

COUNCILWOMAN MILLER: Wait a minute. Even though that whatever you said was redirected, the money was redirected to, you have to find money to do that floor. And I would advise somebody stop by there and take a look at it so you see just how bad it is.

Okay. Mr. Gillison.

MR. KNAPPICK: Councilwoman, I assure you, we have in fact looked at that floor. We do have a number of capital estimates for the floors. There were some other facilities that had similar problems. We do have it on our books to do.

COUNCILWOMAN MILLER: I want to know when it's going to get done, though.

COUNCILWOMAN TASCO: It's been about six years.

COUNCILWOMAN MILLER: It's been a while. It's been ten years.

COUNCILWOMAN TASCO: Ten years.

COUNCILWOMAN MILLER: It's been ten years. It's getting worse each year.

COUNCILWOMAN TASCO: We appropriated some money for that before the Street Administration was over, and I don't know what happened to the money. But it's not a new issue. It's been ongoing for a long time.

MR. KNAPPICK: No, it's not. I'm aware of that.

COUNCILWOMAN MILLER: And it's just getting worse and worse and worse. And in a minute, I'm afraid that a fire truck is going to probably fall through one of those holes. There are some metal rails, but the cement is all gone. The cement is gone. I mean, it is disgraceful.

DEPUTY MAYOR GILLISON: If I may, Councilwoman, I was just talking with the Fire Commissioner. He was saying that that's Engine 9 at Carpenter Lane. He's indicated that the 430,000 that is in the budget for 2011, Engine 9's floor is part of the design for that. So it appears that that has not only been heard, but we are actually addressing it. So the first thing that has to be done is the analysis of what needs to be done, and that is going to be addressed in the Capital Budget for this year.

COUNCILWOMAN MILLER: I think the analysis -- this is a ten-year problem. There's no way there has not been an analysis of what needs to be done to repair that floor. We need the money and get it done. We take too long with these capital projects. The costs go up. The longer you take, the costs go up. It's crazy. We need to get that floor done.

DEPUTY MAYOR GILLISON: I will be up there, and I know that the Commissioner said he is aware of it. Thank you for the photographs, and I will also take your suggestion and take a trip up myself.

COUNCILWOMAN MILLER: Yes. If you went up there and took a look at it, then you would see how desperate the situation is.

DEPUTY MAYOR GILLISON: Thank you.

COUNCILWOMAN MILLER: I'm not saying that other stations don't have situations. I know about this one. And Tasco knows. We go there for gas. Friday night I was across the street at a restaurant getting some dinner and I said to my husband, Go over there and find out if that floor ever got fixed. I knew it hadn't, but I was hoping that something had happened. But it's terrible.

DEPUTY MAYOR GILLISON: I thank you very much for bringing it to our attention.

COUNCILWOMAN MILLER: Okay. Can you let me know when you think this will be -- I can't -- I know you do design, but I just think it's a waste of money. I know that that floor has been assessed. I know you have to do a design. I know that. But I brought this up a couple years ago and we're still talking about design. It needs to be repaired before something really happens up there.

Thank you, Madam President.

COUNCIL PRESIDENT VERNA: You're welcome.

Councilwoman Tasco, did you want to --

COUNCILWOMAN TASCO: I have a point of information from the Capital Projects Office in terms of you are now

3/16/10 - WHOLE - BILLS 100115 & 100116

out of the Property Department? You're working out of the Property Department?

MR. KNAPPICK: Yes, Department of Public Property.

COUNCILWOMAN TASCO: So you work with the Recreation Department or the Police Department?

MR. KNAPPICK: Yes, for the capital projects.

COUNCILWOMAN TASCO: For the capital projects.

MR. KNAPPICK: Yes.

COUNCILWOMAN TASCO: Are those people in your office or are they back in their -- does the Rec Department representative work in the Rec Department?

MR. KNAPPICK: No. We work right in the same office on the same floor with the Capital -- there's a Project Director for Recreation and there's a Project Director for Parks.

COUNCILWOMAN TASCO: How long have you been there?

MR. KNAPPICK: In my current position? January of last year.

COUNCILWOMAN TASCO: So I just want to go back to the repair of the roof. Were you aware of that initiative to bundle the roofs?

MR. KNAPPICK: Yes.

COUNCILWOMAN TASCO: And so you all never thought to do that again?

MR. KNAPPICK: No; we do it. We've done it with the Police and the Fire roofs. We've actually done it. So I think the PICA funding that's there now is going to bundle some roofs.

COUNCILWOMAN TASCO: So then you're going to let me know today how many roofs are requests for roof repair, right? And then I'll come back to my questions.

MR. KNAPPICK: For the rec centers?

COUNCILWOMAN TASCO: Yes.

MR. KNAPPICK: I believe my Project Director had indicated to me that there were no monies in the capital project -- in the Capital Office, we replace roofs. If it comes to a repair, that's done by the Facilities Maintenance, which is part of the Department of Recreation.

MR. GREENBERGER: Either way, I think there's a couple questions we need to ask. One is, you're asking is there a request to replace the roof of the -- is it the Finley Recreation Center?

COUNCILWOMAN TASCO: Right.

MR. GREENBERGER: And others.

COUNCILWOMAN TASCO: And others.

MR. GREENBERGER: So we'll find out about that. And the distinction that Mr. Knappick is making is that a roof replacement is handled through the Capital Office and is in this, and those are the things that are in this budget. A roof repair like you and I might have on one of our roofs is handled out of -- are you saying this, Gary -- out of

Operations?

MR. KNAPPICK: Operations.

MR. GREENBERGER: Which comes directly from the Rec Department itself. We'll ask both of them and try to get to the bottom of this.

COUNCILWOMAN TASCO: But at what point do you make the decision that you can no longer repair the roof and it needs a replacement?

MR. KNAPPICK: That's usually when the roof has exceeded its life cycle. Normally roofs are 20 years. Well-maintained roofs you can keep up to 25 depending on the type of roof, but they remain under some form of limited warranty usually during that period of time. In some cases it's just storm damage, force majeure type damages.

COUNCILWOMAN TASCO: I think Finley is 20 years and it needs a replacement. But still get back to me.

MR. GREENBERGER: We'll find out for you.

3/16/10 - WHOLE - BILLS 100115 & 100116

COUNCILWOMAN TASCO: I want it to go on the replacement list, not repair.

MR. GREENBERGER: We hear you.

MR. KNAPPICK: Replacement.

COUNCILMAN RIZZO: Point of information.

COUNCILWOMAN TASCO: Thank you.

COUNCIL PRESIDENT VERNA: You're welcome.

The Chair recognizes Councilman Rizzo for a point of information.

COUNCILMAN RIZZO: I just want to make sure I understood. When the point was made about bundling these projects to get the best price out there, I believe I heard that when we do that, that they come back with one big number. I just can't imagine anybody bidding on a group of projects not breaking it out for 14th District, 35th District. It just doesn't seem reasonable to think they just come back with, We'll fix all the roofs for 10 million bucks, and you don't know which is what where.

So I think when you send a bid out like that, you ask that it be broken out. I can't imagine that that's not the case. I just can't.

MR. KNAPPICK: We do get a breakout in the schedule of values. The actual bid itself is a lump-sum bid, though. So when we apply the funding to it, we have to determine how much --

COUNCILMAN RIZZO: But it's itemized. Hundred thousand for this roof, 25,000 for that one. So I don't know what the big budgeting problem would be in figuring out how to apply money for repair or replacement.

MR. KNAPPICK: I wouldn't say it's a big problem, Councilman, no.

COUNCILMAN RIZZO: Okay. Just as long as we're on the same page.

MR. KNAPPICK: Yes.

COUNCIL PRESIDENT VERNA: The Chair recognizes Councilman Clarke.

COUNCILMAN CLARKE: Thank you,

Madam President.

Good morning.

(Good morning.)

COUNCILMAN CLARKE: Real quick one. Schuylkill River Park -- well, actually, Schuylkill riverfront capital improvements, is that Schuylkill River Park in your --

MR. GREENBERGER: It's the entire trail network as it goes down the --

COUNCILMAN CLARKE: So the whole network that goes through?

MR. GREENBERGER: That's right.

COUNCILMAN CLARKE: Okay. One of my favorite subjects: Cameras.

Mr. Gillison, you can stay.

MR. GREENBERGER: Stick around.

COUNCILMAN CLARKE: Video surveillance programs in the first round, we opted to go the Operating Budget route in terms of paying for cameras, which I never understood, but we did do that. Tell me about what the strategy is, if there is one, to expand and complete our network and if any relationship has to do with the purchase of the Earthlink assets. Can you kind of talk me through that, or were you trying to save it for a press conference?

DEPUTY MAYOR GILLISON: You are getting out ahead of me.

COUNCILMAN CLARKE: Because I was hoping you were -- all right. Well, leave that on the table.

DEPUTY MAYOR GILLISON: But I can tell you -- can I answer your question, Councilman, in the terms of division that we have? We have, yes, used operating funds. When we came in, that was the decision that was made. So we tried to do as much as we can within whatever the limited funds that were put forward.

There was a schedule for a larger commitment that we could not actually afford, as you know. I think it was like $12 million a year was going to be in perpetuity was part of that, and that was just not sustainable.

The idea that we have is as follows: We have pretty much put up the cameras that we are able to do with -- and actually maintain them with in-house. We're just shy of the 200 cameras. We thought we'd get 250. We're about at 200 at this point. We have a data issue on backhaul, because we want to keep the images up to 30 days in order to make sure that we can store them. We are dealing with that issue today.

We have gone the grant route. The City has gone from a Tier 2 city for homeland security purposes. We're now a Tier 1 city. That's going to be able to give us a little bit more money from the federal government. We have applied for and received grants to be able to -- on critical infrastructure, thanks to Congressman Fattah. He was able to put money for cameras around critical infrastructure needs around the City.

That we are already planning for, and we're hoping to have up an additional 600 cameras that we will be paid for out of the grant that we have received and what we anticipate will be continuing needs.

The second tier, something that you just were referencing in reference to the wireless --

COUNCILMAN CLARKE: If you don't want to talk about it today, you can save it for the press conference.

DEPUTY MAYOR GILLISON: We will be able to use that in a very inventive way. I'll just leave it at that. That will enable us to do a lot of things that we cannot do right now.

And the third one is is that we are looking at using collaborative relationships with businesses so that we will establish a platform. This is the Chicago model. They actually go to the businesses and they say, If you use digital cameras with this open network and give the city the permission to actually view, then the cameras that are in the various places will then just be when we need them, we can just flip a switch and, guess what, they multiply the numbers of cameras that the police have access to by the thousands.

COUNCILMAN CLARKE: Right.

DEPUTY MAYOR GILLISON: We have started that conversation, both with the Center City District and other districts around the areas and with our business partners, to tell them exactly what we're doing and why, and, yes, our wireless issues will be part of that matter.

COUNCILMAN CLARKE: Getting back to the first part of my question. Is there any money in this Capital Budget that will go towards either the infrastructure, the fiberoptics associated with the hardwired cameras, or any of the activities that allow us to expand? And the reason I'm asking that, one of the reasons, because given our challenge with our Operating Budget, the thought that we continue to spend that money was just not prudent, from my perspective, and the fact that we're actually -- I don't necessary agree with this -- spending capital dollars for planting of trees, and that's basically to supplant our operating inability to do that, I would think that we would take the similar approach on our cameras in our video surveillance program. If we're going to spend money that traditionally was operating, I think we should do it through capital.

DEPUTY MAYOR GILLISON: I hear your concern, and I will get the direct answer. I don't have that as I sit here right now, but I can get that information to you, and I'll have that today, Councilman.

COUNCILMAN CLARKE: All right. Can you -- because I'm hearing more than I actually knew, as I'm sure most of us are, in terms of having alternative sources of financing. I'm glad we're

3/16/10 - WHOLE - BILLS 100115 & 100116

finally raised to the level where we can get some homeland security dollars.

Can you arrange for a briefing --

DEPUTY MAYOR GILLISON: Yes, I will.

COUNCILMAN CLARKE: -- with the Council President's Office for members of Council, because it sounds like there's a lot going on that we're not -- I was actually just looking at some old news clippings of a 2006 editorial. It was about the camera program. We were getting ready to take a vote. And so I'm glad to see that we're finally evolving to the level that was referenced in that editorial.

DEPUTY MAYOR GILLISON: Thank you. Thank you. But, yes, I will. I'll arrange it through the Council President's Office.

COUNCILMAN CLARKE: During the last Administration, we had a Commissioner, Victor Richards, who a lot of Councilmembers had a great working relationship with. And this is not for you, Mr. Gillison. He had -- and I don't know exactly how he did it. He had the ability to accelerate the installation of capital projects. We didn't really -- I know I didn't ask him. He just got it done, and it was a process that was different than the traditional lengthy procurement, notification, installation project, because it seems like from the time that a Councilmember says that this is what I'd like to see this money go towards, particularly the funding that's in our categories, it seems to be upwards of a year in some cases to actually have the equipment installed. He was able to do something -- and I don't know exactly how he did it. He got it done a lot quicker. I don't know if he had a vendor of choice already lined up.

MR. GREENBERGER: I don't know. I mean, you do -- I know you have those kind of programs under emergency conditions. I don't know about the things that are not quite emergencies, but let me find out. His name was? Say it again. His name was Victor Richards?

COUNCILMAN CLARKE: Well, you have some people here that were here.

MR. GREENBERGER: I know, but it's not part of my institutional memory, so I just want to write it down.

COUNCILMAN CLARKE: I'm saying you have some people here that were here during that time. You do have some leftovers, right?

MR. GREENBERGER: Yeah. He was, I think, the Recreation Commissioner, I'm being told. Does that sound right?

COUNCILMAN CLARKE: Yeah. And he did some things and I don't know how he did them.

MR. GREENBERGER: I'll find out.

COUNCILMAN CLARKE: But all we know, it was three, four months and boom.

My assumption is that it was within some guidelines.

MR. GREENBERGER: Right.

COUNCILMAN CLARKE: I'll come back and ask you the question again, so give you time to figure it out.

MR. GREENBERGER: I want to find out about that, because obviously I don't know.

COUNCILMAN CLARKE: Okay.

Thank you.

COUNCIL PRESIDENT VERNA: You're welcome.

Is Councilwoman Blackwell in the room?

(No response.)

COUNCIL PRESIDENT VERNA: Councilman Kenney.

COUNCILMAN KENNEY: Thank you, Madam President.

Mr. Greenberger, I want to tell you a little story that happened recently, actually over a period of years. It's about the largest public works project in the history of the Commonwealth, which is right across the street down the way here. And for a long period of time --

MR. GREENBERGER: I assume you mean the Convention Center?

COUNCILMAN KENNEY: The Convention Center expansion. And due to lack of coordination, lack of focus, miscommunication, politics also, there were long periods of time of delays in design and pencils up, pencils down. We're going to go, we're not going to go. All things were involved with it. Finally, they decided that they actually wanted to get the thing built and they hired a guy by the name of Joe Resta, who left the Department of General Services and went under the employ of the Convention Center Authority. And from that point onward, with some glitches here and there, from that point onward, that project got momentum, it became focused, it became coordinated, and it's getting done on time based on the new schedule, not on time where we wanted it to be, but on time and around budget.

How many capital offices do we have in the departments throughout the City? How many individual departments have a capital office? I mean, doesn't Recreation have a capital office?

MR. GREENBERGER: Several of them do. I don't know the number off the top of my head, but I'm sure you're right.

COUNCILMAN KENNEY: There's got to be more than four or five?

MR. GREENBERGER: Probably.

COUNCILMAN KENNEY: Does anybody have a number?

MR. GREENBERGER: Four.

COUNCILMAN KENNEY: And then we have a Capital Budget Office on top of that?

MR. GREENBERGER: That's right.

COUNCILMAN KENNEY: Who is the project manager? Who is the overall project manager of every capital project in the City of Philadelphia? Do we need one? I think we do, obviously.

I've been here long enough -- and this is not your fault, but I've been here long enough to have these discussions or hear these discussions with every City Planning director we've ever had and every commissioner of every department we've ever had.

Whether we need to go outside or whether we need to hire a person and bring them inside, do we need a Joe Resta or someone like him or her to kick these projects in the rear when they need to be kicked, to move things around when it makes sense and to actually accomplish things other than a ten-year wait for a floor in a firehouse?

MR. GREENBERGER: All fair points. What's he doing after the Convention Center?

COUNCILMAN KENNEY: I think he may retire. He probably wouldn't want to come here.

MR. GREENBERGER: That's too bad. He's probably burned out.

COUNCILMAN KENNEY: But there are other folks.

Don't get me wrong, I think everybody in City government works hard. They work hard within the constraints they have on regulations, on how you bid things. Because when the gentleman at the table told Councilwoman Miller that it was in design, I like shuddered, because "in design" means possibly another year and a half to two possibly. Now, I sensed that since you wrote it down because she wants to get it done, "in design" may be faster this time on this project because it's now focused.

Despite the fact of everyone's hard work and everyone's desire to get the job done, there's not one person in charge of saying, Do this now, don't do that now, do this next week. Why can't we find someone to put an RFP out for a company, a Keating, somebody who can -- and I'm not suggesting that you hire them, but an RFP for a company to project manage this entire Capital Budget once and for all, coordinate our folks who want to do the job -- I think Eric Iffrig is probably tired of hearing from me and everybody else in this Council -- to give them some coordination and some direction so this stuff -- the money we appropriate actually gets spent. Councilman Green's point is accurate. We're in a situation right now where no one is working. We have construction tradespeople out of work. We have all kinds of folks out of work. These projects should be stimulating our own local economy and our regional economy, but we have no coordination, and we need a PM and maybe CMs underneath the PMs, but something. I mean, we got to go at a different approach, because this, after 18 years here in my case, does not work.

MR. GREENBERGER: And you're

3/16/10 - WHOLE - BILLS 100115 & 100116

talking about -- I think those are fair points. And you're talking about, as you know from my professional background, this is something I had to deal with all the time.

COUNCILMAN KENNEY: And what happens in your professional background when this don't work? You lose money.

MR. GREENBERGER: Oh, sure.

COUNCILMAN KENNEY: Lots of money.

MR. GREENBERGER: Sure. We made an entire lifetime of doing that.

COUNCILMAN KENNEY: Right.

MR. GREENBERGER: You're really talking about serious capacity problems, both from the standpoint of the money and the standpoint of the management. I don't have an answer obviously --

COUNCILMAN KENNEY: What do you mean "from the standpoint of money"?

MR. GREENBERGER: Well, as Mr. Knappick said in response to Councilman Greenlee's question, there's a lot more to do. There's a lot more to do here, and obviously the more we can figure out to do, the more it's going to test the system's capacity to get it done. These things still have to be put out of the system, which is to your point about how is that happening.

COUNCILMAN KENNEY: The system --

MR. GREENBERGER: We don't have the capacity to do it, let alone the money.

COUNCILMAN KENNEY: No. We have the money because we appropriated the money last --

MR. GREENBERGER: Well, we have this money, but we need more money.

COUNCILMAN KENNEY: But projects have been in the pipeline -- I hate that word "pipeline." It drove me nuts under NTI -- under a pipeline for years. So the money is there. I mean, is the money gone? Once we've appropriated it and five years go by, is the money gone?

MR. GREENBERGER: No. That's what the carry-forward is about.

COUNCILMAN KENNEY: So the money is appropriated. The allocation is there. The authority is there. Why don't we just streamline this process? What's holding stuff from streamlining the process? If Joe Resta was in charge of our Capital Office today, what would stop him from moving things forward?

MR. GREENBERGER: There could be a number of things, but that's a pretty lengthy discussion that I'd love to get into in detail with you, because I know that you know something about this topic, as do I. Let's have a conversation about that.

COUNCILMAN KENNEY: Would you consider maybe a search or an RFP or something --

MR. GREENBERGER: Yeah. Let's talk about --

COUNCILMAN KENNEY: Reinventing

government. Again, that's an old term now, but going forward, this is critical not only to the economy but all these communities and what they look like and how people feel about them and the frustration politically here.

MR. GREENBERGER: As you know, at least certainly the thing that I've been discovering the last year and a half and really through my professional life doing public-sector projects throughout the country, is that public sector has its own limitations about -- mostly about accountability and process. This isn't by way of an excuse. This is simply understanding that public and private move differently. We need to figure out systems like what you're describing.

COUNCILMAN KENNEY: But, remember, my initial story is a public project. It's not a private project.

MR. GREENBERGER: So let's get to the bottom of why that worked. I mean, it's probably more than just the one guy.

COUNCILMAN KENNEY: Well, certainly the force of that personality and his experience made a difference.

MR. GREENBERGER: Absolutely. And a kind of willingness of everybody to say, Okay, we're going to pay attention to this guy and make this happen.

COUNCILMAN KENNEY: All right. Thank you.

MR. GREENBERGER: I'd love to talk to you about that more.

COUNCILMAN KENNEY: Thank you.

COUNCIL PRESIDENT VERNA: The Chair recognizes Councilman Jones.

COUNCILMAN JONES: Thank you, Madam President.

I have to go right in line with my colleagues and the concern about in a recession, how in the world, when we have capital dollars under our control, can we, in good conscience, be looking to the federal government to stimulate an economy that we have the ability to stimulate, when we talk about backlogs like that? Now, that's my statement, and I'm going to say this, that when I first came to Council, Councilman Rizzo said that when it comes to capital projects, you need to be patient, and he gave me this, which is a pipeline, and he said that you need to get in line, and all of the other Councilpeople signed it. I'm going to get the rest of them to do that.

I am not that patient. When I go through my neighborhood and I see young men standing on the corner, talking about, Councilman, when is the stimulus going to stimulate us, and when are we going to actually have some jobs? And I looked at the statistic that says we have a $2.4 billion capital project program with 73 projects in them and we did 76 projects last year. How much of that was held over from the previous year and how much is held over for this year? And on top of that, have we done a quantitative analysis that says when we bid out these projects, is it cheaper to bid them out or should we take some smaller projects, serve as a GM, PM, CM, as my colleague suggested, and actually do the job where we can hire young people from the neighborhoods ourselves for a temporary time for the project to stimulate that local economy? Have we done an analysis to say do we come out cheaper retrofitting a recreation center ourselves versus feeding the contractors that are, in my opinion, sometimes the usual suspects that are from Jersey, not from Philadelphia, because I know by the dump truck tags that often pull up there. Can we control some of the jobs so that we can stimulate and target where those jobs are created? Have we done the analysis?

MR. GREENBERGER: I'm not aware of such an analysis. I'm impressed that you had that pipeline, by the way. That was great.

There are a lot of legal and

technical issues that I know you're aware of as well that make doing things like that difficult, not impossible to do an analysis of and not impossible to think through, but tough to do. They have to do with the City's requirements for bonding, for insurance, all the things that are problems for particularly for small contractors.

COUNCILMAN JONES: The good news about being around a while is that you've been around a while. And Bob Warner will tell you I came from a procurement and MBE background. You can emphatically choose not to bid something but to do it internally. It doesn't take analysis paralysis to do that. And if you have not done the study to see if the taxpayers benefit from the lower price, then it is a shame that we haven't looked at that, and it is not acceptable that we don't.

In your testimony last year -- well, not you. In the testimony from your counterpart last year, you said that you were going to work with in fact the Public Property to see if we couldn't expedite some of these contracts, and I want to gauge in this year how much progress we've made.

MR. GREENBERGER: Fair point.

COUNCILMAN JONES: Good point? I'm not trying to make points. I'm trying to get clarity. Somebody can answer me.

MR. GREENBERGER: I understand. I don't have an answer for you on how to right that system and increase our capacity to push through work, which is what you're asking about.

COUNCILMAN JONES: Well, let me say this to you. During the break, I'm going to go get some Snickers bars, because if you don't have an answer for that, with all of this brainpower in the back, y'all going to be here a while, because that is unacceptable when I go back to my district. We haven't done the analysis. We haven't thought that out. Think it out, and we need some answers, because we're appropriating money here in this Council. That money should at some point stimulate a local economy by way of taxes, by way of jobs, by way of quality of life of the people who live in this City. And it's not good enough just to say we just haven't thought about.

MR. GREENBERGER: Well, but I mean, a lot of work is getting pushed out the door. I mean, what we're talking about is how to get more work pushed out the door. It's not like nothing is getting pushed out. People are working at capacity to get work out the door.

COUNCILMAN JONES: What is our average backlog for capital projects?

MR. GREENBERGER: We have a $220 million carry-forward.

COUNCILMAN JONES: No, no. Time.

MR. GREENBERGER: I don't know. I'll get an answer for you on that, though. I'd be happy to.

COUNCILMAN JONES: We have 300 bridges in the City of Philadelphia that have been deemed unsafe. If we just worked with the federal government to appropriate money, we could stimulate our own economy. We have 3,000 miles of water infrastructure under our feet as we speak that is over 100 years old in some places. We don't need the federal government to stimulate a darn thing. We could stimulate it right here, and it doesn't take a rocket scientist or an engineer to help hold a pipe that digs a ditch. We can do these things. They are within our power to do. Someone, some bright ones, smarter than us here in this Council, should be figuring that out.

The Obama Administration is talking about a jobs bill right now. They're drafting it up. It may be too little too late to stop what's going on in our neighborhoods, but if we use that as a source of capital and then with these capital projects, there are all kinds of creative apprenticeship programs that we can do. This analysis paralysis is not good enough.

COUNCILMAN RIZZO: Point of information.

COUNCIL PRESIDENT VERNA: The Chair recognizes Councilman Rizzo for a point of information.

COUNCILMAN RIZZO: Thank you.

Mr. Greenberger, one of my co-workers pointed out to me that there are projects in the Capital Budget carried forward since 1998. Bridge repair, which my colleague just mentioned.

This delay, what do you think the increased costs associated with a delay in today's economy costs the City of Philadelphia in delay?

MR. GREENBERGER: I don't know a number, but I certainly know from my own experience that even though the construction markets go up and down -- we happen to be in a trough at the moment of good prices -- the overall message is that prices do increase. So getting projects done faster is obviously better in general.

COUNCILMAN RIZZO: 1998, carried forward.

MR. GREENBERGER: We share that frustration.

COUNCILMAN RIZZO: Do you feel the pain, too?

MR. GREENBERGER: Absolutely. Listen, I want to see things get built.

COUNCILMAN RIZZO: But point well made. We really need to get somebody to start kicking this stuff in the butt and get it moving, coordinating. Maybe the commissioners of the departments need to get back in the act. I don't think anybody knows other than the operating departments what their needs are and the priorities. Maybe that's where you ought to start, without reinventing the wheel.

3/16/10 - WHOLE - BILLS 100115 & 100116

Thank you, Madam President.

COUNCIL PRESIDENT VERNA: You're welcome.

Councilman, I would just like to say, year after year at budget time, it's the same questions, the same complaints that we receive, and we're always told, Oh, we're going to make improvements. But apparently the improvements never take place.

COUNCILMAN RIZZO: Madam President, you've been trying to get roofs fixed in recreation centers since I think I've been here, and we hear the same thing, as you just mentioned, each and every year.

COUNCIL PRESIDENT VERNA: Absolutely.

COUNCILWOMAN TASCO: Point of information.

COUNCIL PRESIDENT VERNA: Yes. Councilwoman Tasco.

COUNCILWOMAN TASCO: I think Councilman Clarke mentioned Victor

Richards. He didn't wait. He just did it.

COUNCIL PRESIDENT VERNA: Oh, he was wonderful.

COUNCILWOMAN TASCO: He just did it, and that's the action it's going to have to take. Because we've been here for a long time and it's the same questions, frustrations we've all experienced year after year, but at least in the Recreation Department a lot got done, because he just went out and raised money, did things in the Rec Department that had never been done before.

You just have to do it, because if you wait for the process and wait to follow the rules, it will never get done.

MR. GREENBERGER: I want to find out how he did that.

COUNCILWOMAN TASCO: Thank you.

COUNCIL PRESIDENT VERNA: Before I recognize Councilman Green, we talk about the roofs at the recreation centers that have to be repaired or whatever, and we wait for the Recreation Department or the Capital Budget to bundle. How many roofs do we have to bundle at one time and isn't that being penny wise and dollar foolish? Because if you wait long enough, there's more damage that's caused from a leaking roof than it's worth to bundle.

How many roofs do we have to bundle in order for them to go out for an RFP? I don't think you would know. Somebody from Capital, you're still here. Can you come up to the table, explain to us how this process works, please.

(Witness approached witness table.)

MR. KNAPPICK: Gary Knappick from the Department of Public Property.

Basically if there's an emergency situation on a roof, we can take care of it with a requirements contract. We're currently looking into -- it can be taken care of almost under -- we hire contractors and go out there, take a look at it, give us an estimate. If we agree with the estimate, it becomes a time and material contract.

We're currently looking at another method to move projects along that could be a little bit larger projects that -- it's called job order contracting.

COUNCIL PRESIDENT VERNA: Job?

MR. KNAPPICK: Job order contracting, and it basically involves contractors bidding on unit prices. We would have general contractors, mechanical, electrical and so forth that we could deploy very quickly on jobs that didn't require any kind of significant design.

Relative to the roofs, if there is a budget, an actual budget for roofs, then -- and that budget isn't redirected for some reason due to an emergency nature, we would put those roofs out as one project for a department. And as you said, there's no reason not to cross

3/16/10 - WHOLE - BILLS 100115 & 100116
marry departments, other than it's a little bit easier accounting.

COUNCIL PRESIDENT VERNA: I think there has to be a better way. I just am reflecting upon one of my recreation centers where we had a faulty roof. As a result, the gym floor was totally destroyed. I think the walls had been painted. They were soaking wet and had to be repainted again.

As I said, we sometimes are penny wise and dollar foolish. There's got to be a better system. And I'm wondering with all of the rain that we had over the past weekend how much damage was caused as a result of the faulty roofs that we're talking about.

MR. KNAPPICK: In some cases, the thing we like to do initially is to make sure that we don't spend funds foolishly in replacement of a roof that could be repaired, and that involves a little bit of our communicating and working with our facilities maintenance departments as well.

COUNCILWOMAN MILLER: Point of information.

COUNCIL PRESIDENT VERNA: The Chair recognizes Councilwoman Miller.

COUNCILWOMAN MILLER: Yes. Just two comments very quick.

Can we get a report to the Council President of the 76 new projects that were budgeted in 2010, can you detail how many were actually started, and of those started, how many were completed, if any, and is scheduled for more than a year? And please detail when those will be complete.

And I just want to make comments in support of what the folks are saying about the economy and the fact that we in Philadelphia can help stimulate. We have an RFP out for a small recreation job for 2.5 million and there were 27 contractors that bid on that job. So that's just an example. There was an overwhelming number of folk to bid on that small job. But it's just an example of what's happening here with this economy. People need work, and certainly with the Capital Project Office, that is one place where we could help boost the economy here and get Philadelphians back to working.

But we do need to have a report. Maybe we need to always be updated on what's happening in the capital project area.

MR. AGOSTINI: Madam President, on the FY10, I would remind Council that we are still waiting for the authorization for the borrowing associated with FY10, which I believe is planned to be before the voters in the first week of May.

COUNCILWOMAN MILLER: Well, then how about a report for 2008 and 2009?

MR. AGOSTINI: That would make sense. We'll do that.

COUNCILWOMAN MILLER: All

right. Thank you.

COUNCIL PRESIDENT VERNA: The Chair recognizes Councilman Green.

COUNCILMAN GREEN: Thank you, Madam Chair.

Mr. Agostini, while you're up there, if you could take a look at Page 6 of the Five Year Capital Budget and maybe explain to me, there's about $350 million of sort of non-Airport, Water Department stuff, funds, at the top of Page 6, the CT, CR, CN, CA and A funds, whatever that is. So for FY2011, you've got 220 million carried-forward loans. How much of that is the FY10 that has not been approved yet?

MR. AGOSTINI: It's 63 million.

COUNCILMAN GREEN: Sixty-three million. So that's roughly 180 million of carry-forward from previous years. Is that money in the bank? Do we have $183 million of cash in the bank? Is it in separate segregated accounts?

MR. AGOSTINI: Councilmember,

there is -- all of it has been appropriated. Much of it requires match funds. It is probably something worthy of a spreadsheet for Council to give you the breakout, and we probably should do that by department as well so that you have a sense of where it is.

COUNCILMAN GREEN: But, I mean, my question is, $183 million has been borrowed and received by the City through previous authorizations. Is that cash in the bank in a dedicated reserve account or --

(Witness approached witness table.)

MR. DONATO: Chris Donato from the Budget Office.

There is about half of FY08 and all of FY09 that we have not actually gone out to borrow yet.

COUNCILMAN GREEN: So we're not even borrowing the money that we authorized. And why is that?

MR. DONATO: We generally

borrow every two years for the Capital Budget, depending on the level, the funding level.

COUNCILMAN GREEN: So we've got 102 million in new non-carry-forward projects, right, for FY10 -- or FY11, sorry, that is in the budget. When are we planning to borrow that money for what we're authorizing for this year?

MR. AGOSTINI: Our intent was to go in November of Calendar '10.

COUNCILMAN GREEN: But we haven't borrowed for FY08 and FY09 funds. I mean --

MR. DONATO: That will be included.

COUNCILMAN GREEN: That doesn't make any sense to me. I mean, what's the point of having us appropriate something that there's no intention to borrow for, and if there's no intention of borrow, obviously there's no intention to spend.

MR. DONATO: Once we have the authorization, we can move forward with spending before we borrow.

MR. AGOSTINI: So there are instances for many projects where once we have the authorization, to the extent that we have dollars we can make available to get those projects started, we do that, with the expectation then when the borrowing is complete, we will begin to repay those sources that sort of lent money for those projects to get started, for the very reasons that you've been discussing here, which is we need to get projects started.

COUNCILMAN GREEN: Right, but we have had very tight cash constraints the last two years. Not making these capital borrowings explains perfectly well why nothing has gotten done, even these critical life-safety projects and everything else that were raised in the PICA report and that we've discussed for three years. Right? I mean, there wasn't cash in the bank, so we couldn't borrow from some other fund and then repay it back later, so we just did nothing, instead of going out and doing these --

MR. AGOSTINI: I'm not sure I agree with that, Councilmember. Just on the cash flow, there was sufficient cash flow from other sources, principally capital, funds, dollars, cash that we had that allowed us to manage our cash flow situation in the fall of 2009 in a manner that would have been impossible without that. We would have been in much worse shape had it not been for that.

COUNCILMAN GREEN: I'm not sure what that means. Does that mean that you borrowed from capital accounts for operating?

MR. AGOSTINI: Well, what we did is, there were times when we had sufficient cash flow available to us in a consolidated cash position that allowed us to manage our finances much more effectively had it just been a General Fund. If we had just been relying on the

3/16/10 - WHOLE - BILLS 100115 & 100116

General Fund, we would have had very significant problems back in the fall.

COUNCILMAN GREEN: But doesn't that mean if you're borrowing from the capital funds for operating, intending to pay that back later, which of course you have to do --

MR. AGOSTINI: Absolutely, but --

COUNCILMAN GREEN: -- doesn't that explain why no capital projects are getting done?

MR. AGOSTINI: No, I don't believe --

COUNCILMAN GREEN: You're spending it on something else.

MR. AGOSTINI: I don't believe that was the case at all. In fact, we made sure and -- Chris and I went through and actually at one point had a very detailed list back in August and September of '09, a very detailed list of what projects we might have to hold up if we got into a situation where even the

3/16/10 - WHOLE - BILLS 100115 & 100116

consolidated cash position was compromised because of what was going on with the state budget. Thankfully, that did not come to pass where we had to basically say stop everything.

But with respect to the question that you had, I'll let Chris get back to the question in terms of the staging of the borrowings and the staging of the spending.

MR. DONATO: Could you repeat whatever I haven't answered?

COUNCILMAN GREEN: Well, it looks to me like there's a correlation between the lack of borrowings for '08 and '09 and the fact that many of the things that we appropriated for '08 and '09 have not been completed and are still in design.

MR. DONATO: We did obtain the authorization, which at that point allows us to obligate the funds and should keep projects moving. So if projects haven't moved --

COUNCILMAN GREEN: But our cash position was so low that -- I mean, I think we said only about half of the 180 million was there. That's $90 million. You weren't telling people to go ahead and let capital projects, because you didn't know, as Mr. Agostini just testified, whether or not you would need the money. You had lists of stuff you might stop or other things, but if you borrowed all that money and you had it in the bank, you could have let many more projects.

MR. GREENBERGER: Councilman, I think it's actually the reverse. The projects, for lack of a better word, mature to the state that they're ready to move forward, and once you bundle all the things that are ready to move forward, you borrow the money in a big bond issue to pay for it. So it's not that the projects didn't move forward from lack of borrowed money. It's that the projects were not ready to move forward and, hence, the money wasn't borrowed to pay for them.

COUNCILMAN GREEN: But, Mr. Greenberger, we know the projects were ready to move forward because I have a list from Public Property --

MR. GREENBERGER: Some are and some aren't.

COUNCILMAN GREEN: -- of projects that were ready to move forward that you say we had the money for, some of which were supposed to be completed by March of 2010 that have not begun. So, you know, what you're saying, it fundamentally doesn't -- what you're saying and what is actually happening seem to be two separate realities.

MR. AGOSTINI: Councilmember, I don't agree with that, and maybe it's because I don't understand the points that you're making. I believe, as the three of us have tried to say, there have been instances when, particularly in the cash flow situation that we found ourselves last year, where we had identified areas where we might have to slow up spending or stop spending. It never got to that point. At the most, there were payments made for work that had been completed already where we started to slow the payments, as we had done with many, many vendors on the capital side.

In terms of the availability of funds, which I think is what you're asking, we felt there was sufficient availability of funds, and the borrowings to fund portions of the '8, '9 and '10 Capital Budgets, that was something that was supposed to have happened in November of '09 and it didn't for a number of reasons that I believe has been discussed here in Council prior.

COUNCILMAN GREEN: Well, for '10 we understand. For '8 and '9 I'm not sure I understand, but, okay. So let me turn the question on its head. In 2011, we're supposed to spend $102,581,000.

How much of that will we spend in 2011?

MR. AGOSTINI: That's a very fair question, and in constructing the Capital Budget for '11, what we said to every one of the departments, most notably Division of Technology, Streets, Fairmount Park and Parks and Recreation, is that they had to have schedules so that even if we could not borrow those funds in May of '10, May coming, and we had to borrow in November of '10, that they would be in process so that the money would be spent as quickly as possible.

It's our expectation certainly on the Budget side and I think just generally in the Administration that the dollars being set aside in the '11 budget need to be spent as quickly but as carefully as possible in order to have the impact.

COUNCILMAN GREEN: So your answer is you don't know?

MR. AGOSTINI: No. My answer

is that everyone has been in --

COUNCILMAN GREEN: Well, I asked is it 50 percent, 80 percent, 100 percent?

MR. AGOSTINI: Councilmember, I don't think that's something that lends itself to that. It's our expectation they're going to spend all of the money to take care of it, that they are going to spend the money as we have appropriated, whether it's for trees, whether it's for street paving. The one place where that might be a trickier thing is, spending $25 million in one year on IT-related issues is going to be interesting, but the need is there and I think Allan can get it done.

COUNCILWOMAN TASCO: Councilman, your time is up.

COUNCILMAN GREEN: Okay.

COUNCILWOMAN TASCO: Councilman Jones.

COUNCILMAN JONES: Thank you, Madam Chair.

In continuation with what I think is a pattern of questioning, under your system and if indeed we go after a GM, PM, CM, whatever we're calling it, couldn't that be housed under Public Property and then provide the analysis to see how we can move these projects faster? I mean, isn't that an expenditure worth making?

I look at projects -- and I notice in the case of River Road, Pump House Station was supposed to be, for example, torn down. It took so long they reappropriated money. Now we have -- the bid lapsed. Now we have to redo the bid. And the people there are a part of a major environmental project, Schuylkill River Trail. It is smack dab in the way of it, a blighted municipally owned property.

We have to do something to really move these projects along. It can do nothing but help our coffers by way of City revenues provided by wage taxes. I don't understand. It's a win-win scenario. The community gets projects, the City gets a workforce, the City of Philadelphia gets tax revenues. Why isn't that a priority?

MR. AGOSTINI: Councilmember, I would suggest, from the Administration side, an action was taken about a year to 18 months ago in an attempt to improve both the budgeting and the management of capital projects. The budgeting was moved under my office in the effort to be much more careful and much more on top of what was happening with the finances.

To your point, one of the first things that we had an extended conversation in which Alan Greenberger and Alan Urek in Planning was involved in, we understood at that time, when that moved over to me, that there was a significant backlog of projects, and we have spent probably the last six to nine months querying each and every one of the departments about that and getting a schedule by which those dollars will be spent.

Now, on the budgeting side, I can do what I can do on the budgeting side.

COUNCILMAN JONES: So on the execution side, where are the top three things we're going to do different next year?

MR. AGOSTINI: I think we have to have that conversation, but clearly, one of the things we have to do is, we've got to get the money out the door and we've got to get these projects completed. That's clearly the message that I'm taking away from the discussion we're having right here.

COUNCILMAN JONES: All right. Here's some questions. Why is there no money for commercial corridor enhancements, capital projects this year? We have over 130 commercial corridors in the City of Philadelphia and we're not going to do anything on any of them?

MR. DONATO: I believe they had a significant carry-forward funding for --

COUNCILMAN JONES: How much?

MR. DONATO: I don't know off the top of my head. I don't know if Commerce could comment on the commercial corridors.

COUNCILMAN JONES: I mean, the small businessperson is being looked to to do the heavy lifting on whatever tax we decide to do, whether it's the beverage tax, whether it's a trash tax, but we're not going to see some of that money back on commercial corridors? That doesn't make sense to me. And there's only 70,000 for retaining walls, is that right, for the entire City?

MR. AGOSTINI: I think again to Chris's point, when we were looking at this, we had conversations and questions with each of the departments, asking them to identify how they were going to spend what was, in some cases, millions of dollars in carry-forward funds that had been scheduled to be spent, and in some cases, we made a recommendation that rather than allocate new dollars, they needed to spend the existing dollars that were there, and I think in the commercial corridors, that was an example of that.

COUNCILMAN JONES: Here we go.

(Snickers bars given to panel.)

MR. AGOSTINI: Can I take my jacket off?

COUNCILMAN JONES: We're going to be here a while. I need an answer on how much carry-forward money that is.

Enjoy it, because we're going to be here a minute.

I need to know how much that is and where they are intended to go.

MR. AGOSTINI: I'm sorry. I missed part of the question.

COUNCILMAN JONES: I need a list of where there is a project on hand for --

MR. AGOSTINI: In terms of

prior funding?

COUNCILMAN JONES: Absolutely.

MR. AGOSTINI: Yeah. That's an easy thing to provide to you.

COUNCILMAN JONES: Can we get a round figure of the carry-over number?

MR. AGOSTINI: I'll try to do that before we're done here.

COUNCILMAN JONES: All right.

MR. GREENBERGER: Councilman, if I may just add just a little fact to answer one of your questions. The Commercial and Cultural Corridor Bond money from several years ago is still being executed. Probably 80 to 85 percent of it is done. About 15 million of it is in commercial corridors that is still being done and apparently is about to be -- is either bid and about to start construction now that the weather has turned --

COUNCILMAN JONES: How much total dollars is that?

MR. GREENBERGER: Fifteen

million.

COUNCILMAN JONES: Fifteen million?

MR. GREENBERGER: In commercial -- well, the whole program for commercial corridors was 59 million, much of that done.

COUNCILMAN JONES: Eighty-five percent of it is spent?

MR. GREENBERGER: Well, of the entire cultural, which was to various cultural organizations and commercial corridors, about low 80 percentile was spent by December 31st previous year.

COUNCILMAN JONES: Out of --

MR. GREENBERGER: So there's still more to go, most of it in the commercial corridor part.

COUNCILMAN JONES: Out of the 130 commercial corridors, how many of those corridors were impacted?

MR. GREENBERGER: I'll find out for you. I mean, I'm picturing the list. It's in the dozens.

3/16/10 - WHOLE - BILLS 100115 & 100116

COUNCILMAN JONES: Dozens out of 130 commercial corridors?

MR. GREENBERGER: That's right.

COUNCILMAN JONES: So is it safe to say that we could have spent three times that much and still not hit all of the corridors? Yes.

MR. GREENBERGER: Sure. I mean, if the bonds had covered it, sure.

COUNCILMAN JONES: Thank you, Madam President.

COUNCIL PRESIDENT VERNA: You're welcome.

The Chair recognizes Councilwoman Tasco.

COUNCILWOMAN TASCO: I don't have any more questions.

COUNCIL PRESIDENT VERNA: The Chair recognizes Councilman Clarke.

COUNCILMAN CLARKE: Thank you. Thank you, Madam President.

Victor Richards, I'm going to go back to Victor Richards. I would hope that somebody -- this is my last question -- would have figured out who Victor Richards was. And I actually found out -- and I shouldn't be saying this, but Victor Richards actually apparently got a playground built on a School District parcel and I'm finding out that we actually didn't have authorization, but we're cleaning it up. But that's the level of passion that was put in the job.

Now, I got a little history with this building and this government, both as an elected official and non-elected official, and I've seen this whole Capital Programs issue change over the years. It started out where the commissioners kind of had direct control. Things got done relatively quickly, but then a prior Administration they created this Capital Programs Office to kind of keep a handle on everything, and now it's actually evolved, where now the Public Property Commissioner is in charge of Capital, and at the end of the day, I think that structurally the whole process is broken, and we actually added to that, from my perspective, when we passed a bill -- it was called the contracts laws and provisions, that I think the point of passing those bills was to have a better handle on creating more transparency and make sure that people can't buy their way into getting work, the whole nine yards. It was well intended, but at the end of the day, it added additional burdens to our ability to move the procurement process and get contracts let and built.

What I'm asking -- and we ask these kind of questions every year. As Councilmembers were just talking among ourselves, we said we do this for the last 15 years and it's the same questions every year, because nothing ever changes. I'm hoping -- and those Snickers bars can actually give you a little emphasis -- that this year we look at this in a serious way.

There are certain structural

challenges within the procurement process, as you referenced earlier, Mr. Greenberger, but they can be changed. Some of the contracts provisions that we put in place around six years ago, they can be changed. We have the process of requirements contracts, my understanding, where we basically -- we could have pre-approved contractors on a list that will circumvent this long, lengthy process, contracts in.

We do the same thing every year. Why do we have to go out every year and solicit bids and go through that long process when it's the same work every year? I mean, we're here every year. We have a set number of rec centers, a set number of pools, a set number of other municipal buildings that we're going to have to continually work. I would think that there is a set number of contractors who can probably do that work, and we got to make sure that we have minority and female participation in that set.

Why can't we simply go out and have a pre-approved list of contractors that do this work and structurally change the nature of our procurement process -- because I've seen us do it on smaller jobs -- and be in a position to just cut this process in half? I mean, from my perspective, it doesn't seem like rocket science, and if some laws need to be changed to allow us to do this, laws within the structure of creating transparency, then simply tell us and I'm sure we'll do this. Because I agree with everything that was said. Our ability to get our own local stimulus program in place, because we do have money, our ability to get this money spent in a timely way, having somebody in charge that will be as aggressive as a Victor Richards, why can't we do that? Just explain to me.

MR. AGOSTINI: I think we need to look into trying to do exactly what you just described.

COUNCILMAN CLARKE: But, I mean, we got to look into it for real. We have to not only look into it, we got to do something, because we'll be right back here next year with the same questions and the same response, I hear your point.

I mean, I don't want to call this guy's name, but Frank Fabey, he's like the mid-level guys. Frank Fabey is a guy -- and I'm getting him in trouble, because I know they're going to say, Well -- that you need something done and he says, Well, Councilman, we'll figure out a way, and he was like in that Victor Richards mode. And we figure out a way within the bounds of the law to get stuff done, you know. And I don't even ask how it gets done, but it gets done. We got to take that attitude. I mean, it's like --

MR. DONATO: Councilman, PICA has initiated a review of the City's capital projects process, and we're cooperating with them. We had our first meeting to review all of our internal policies, procedures, external factors that all can affect the length of a capital project, and they're going to come out at some point hopefully this week with a set of recommendations.

COUNCILMAN CLARKE: This is my problem: Why do we need PICA to do that for us? And we're meeting with PICA Wednesday, by the way, with one of our committees, if you need us to talk to them about it.

I mean, if we have people in the department that know how to get stuff done, we need to talk to our people. There's a way we can do it. We sat here three, four years ago and the Council President was talking about using the existing workforce to fix our facilities, using capital money to purchase materials. We have plumbers, roofers. We have all these people on staff. And we did it for a minute, and I got a center done over at Cecil B. Moore, and these guys went in there and did a great job, half the cost, half the time, and then we don't do it anymore.

We need to structurally change the way we do our capital projects, and we really need to go beyond just simply saying, I hear you, we'll look into this. And I'm not blaming you guys. I know you guys are relatively new to the system, but it's just like the frustration is coming out, because it's like every year. I've been in Council for ten years. It's the same questions, and those members who have been here longer than me, I know they're more frustrated than I. It's like, come on, guys.

My time is up, Madam President. That's what I get for editorializing. I didn't really get to ask a question. My fault. Okay, Madam President. I'll come back.

COUNCIL PRESIDENT VERNA: The

3/16/10 - WHOLE - BILLS 100115 & 100116

Chair recognizes Councilman -- are you finished?

COUNCILMAN CLARKE: Well, I was asked to ask about the Dell.

COUNCILWOMAN MILLER: Point of information, Council President. Can we get an update on the Robin Hood Dell and if it expects to -- where is the construction and if it's going to open this year.

COUNCIL PRESIDENT VERNA: Very well.

MR. KNAPPICK: Councilwoman, the current schedule that's been reworked after the pretty bad snowstorms we had, which had construction kind of slowed down a bit, is I think on May 17th is when the project will be completed. We're trying to incorporate some additional work into the project as well relative to the roofs and some interior work.

COUNCILWOMAN MILLER: So that's great, then. So the construction will be completed May 17th?

MR. KNAPPICK: Yes. The seats will be in.

COUNCILWOMAN MILLER: So it should be open this year, then?

MR. KNAPPICK: It should be open, yes, ma'am.

COUNCILWOMAN MILLER: Great. Thank you.

MR. KNAPPICK: You're welcome.

COUNCILWOMAN TASCO: Point of information.

COUNCIL PRESIDENT VERNA: The Chair recognizes Councilwoman Tasco.

COUNCILWOMAN TASCO: Are you new to the City employment?

MR. KNAPPICK: No, I'm not.

COUNCILWOMAN TASCO: What department did you come from?

MR. KNAPPICK: I was in the Capital Program Office.

COUNCILWOMAN TASCO: What was your title there?

MR. KNAPPICK: I was a Project

Director.

COUNCILWOMAN TASCO: What's your title now?

MR. KNAPPICK: I'm Deputy Commissioner.

COUNCILWOMAN TASCO: Okay. Thank you.

COUNCIL PRESIDENT VERNA: Councilman Clarke, you were finished? Your time was up.

COUNCILMAN CLARKE: If you're going to give me more time -- no; I was finished.

COUNCIL PRESIDENT VERNA: Councilman Green.

COUNCILMAN GREEN: Thank you, Madam Chair.

So does moving a project from operating to capital typically make it more inefficient?

MR. KNAPPICK: I believe it does, because there's certain spending -- or certain types of work that are strictly associated with capital based on the borrowing and what takes place. Operating dollars can be moved over to the capital side to pretty much do any type of work that's necessary.

COUNCILMAN GREEN: That was kind of a trick question, because last year's Operating Budget had $300,000 to, quote -- and I'm quoting the Operating Budget from last year -- "plant 3,300 trees throughout the City." This year the Capital Budget is proposing 2.5 million to plant 6,000 trees. So it's 3,300 trees at 300K versus 6,000 trees at two and a half million, which is less than twice as many trees at eight times the cost. Is there an explanation for that?

MR. KNAPPICK: I don't have one. I'd have to --

MR. GREENBERGER: I can give you at least a beginning of it. As you heard Commissioner DiBerardinis say, they haven't figured out yet exactly how many park trees, how many street trees are being planted, but I can tell you from actually having been involved in specifying and designing this kind of stuff, the cost of tree planting varies tremendously with whether you're doing it in a street, meaning in a concrete pavement, and whether you're grouping trees like we do, for instance, here in Center City versus in a park or in my little grass strip outside my house. The price variation can be three and four times as much.

COUNCILMAN GREEN: Okay.

MR. GREENBERGER: And it has to just do with the technical realities of what the trees are sitting in, the kind of trenching, the engineered soil versus dig a hole, put a tree in.

COUNCILMAN GREEN: So did we plant 3,300 trees last year?

MR. GREENBERGER: This I can't answer, but I will turn to --

COUNCILMAN GREEN: You don't have to answer that question. You can get me the information.

MR. GREENBERGER: Okay. We'll get it for you.

COUNCILMAN GREEN: And also give me the breakdown of the different costs and how we're going to get to 6,000 this year. And I can ask, I guess, a follow-up question when Parks comes before us.

MR. GREENBERGER: Okay.

COUNCILMAN GREEN: With respect to Streets, last year's Capital Program budget had $118 million for street resurfacing. I think when the Mayor gave his budget address, he basically said we were going to go from 10 million in spending to 17 million next year and pave more streets, but if you look at over the six years of the Capital Budget, we've actually decreased spending by $20 million for street repaving, and I'm just curious as to what the thinking is there and then how many streets we actually repaved last year and, as a practical matter, how many we can actually repave this year. And I don't need an answer for that right now either. If you could just provide it to the President.

MR. GREENBERGER: Okay.

COUNCILMAN GREEN: Because that will come up during the Streets Department hearing.

And the only other question I have -- and Dr. Schwarz does not have to answer this now -- is, we're spending 6.9 million, the Capital Budget includes first phase of building an electronic health records system in the Health Department. There was information provided to us last year about how much that would save in operations and I just wanted to know for departmental hearings, for you to be prepared to talk about whether this investment will have a return.

And the final thing is for the IT department or for Revenue or Finance in departmental hearings, we're talking about investing $25 million in IT. I fully understand that people don't want to be held accountable to what the savings are going to be from that investment. However, no private company would make $103 million of investment without knowing what the return on that investment is going to be. I fully support this funding, but I think we need to be prepared to say what the return on that investment is going to be or it's hard to justify it.

MR. AGOSTINI: Councilmember --

COUNCILMAN GREEN: You can try to address it now, but --

MR. AGOSTINI: I don't think it's a question about being accountable. It's not that we don't want to be accountable. I think all of us anticipate we will be held accountable and work to that end, so that's not issue. The issue --

COUNCILMAN GREEN: Well, there has to be a target by which you measure.

MR. AGOSTINI: If I may, the issue is that we are trying to be prudent. We anticipate that there will be savings. The return-on-investment analysis has proven to be a difficult one. It is not an easy thing to do, and having done this for a state government for many years, I'll tell you that the return investment analysis for the kind of basic system improvements we are talking about is illusive at best. But we will try to generate savings. I think it would be proper for this body to hold us accountable to that.

COUNCILMAN GREEN: Well, we have to have an estimate of those savings to have something to hold the Administration accountable to. And we'll discuss that again during Revenue and Finance hearings and IT hearings.

Thank you, Madam President.

COUNCIL PRESIDENT VERNA: You're welcome.

This Committee will stand in

recess until 1:45. Thank you.

(Luncheon recess.)

COUNCIL PRESIDENT VERNA: The Committee of the Whole is now back in session.

The Chair recognizes Councilwoman Brown.

COUNCILWOMAN BROWN: Thank you, Madam Chair.

Good afternoon.

MR. GREENBERGER: Good afternoon.

COUNCILWOMAN BROWN: Page 3 of your testimony you give some discussion to the Philadelphia International Airport wherein you state that more than one billion of the federal, state, private and City new and carried-forward self-sustaining funds are recommended to enable the Airport to do its necessary renovation, modernization and expansion. And then on the detail, 6, 7 and 8 and 9 of the detail, you go into what that means. It's stated in the testimony or at least in the detail what the breakdown is, but for the record, tell us what portion of that one billion are City dollars.

MR. GREENBERGER: Zero.

COUNCILWOMAN BROWN: What percentage or what dollar amount?

MR. GREENBERGER: It's zero dollars.

COUNCILWOMAN BROWN: From the City?

MR. GREENBERGER: Yeah, the new City borrow. You can see that on Page 4 of the report. There's a breakdown by each agency, and you'll see under Aviation, new City tax-supported dollars, zero. All funding sources, 1, I guess it's, billion 072,960. Do you see it? Second line down on Page 4.

COUNCILWOMAN BROWN: Okay. Tell me what are the federal regulations or requirements or rules for inclusion?

MR. GREENBERGER: I know that the Aviation -- the Airport does very well on that, but I don't know their rules off the top of my head, but I'll be happy to get them for you.

COUNCILWOMAN BROWN: And you say you know that the Airport does very well on that.

MR. GREENBERGER: I believe they do.

COUNCILWOMAN BROWN: Backup in detail is always essential for this body.

MR. GREENBERGER: Yeah. I'll get you detail on that, because I don't have that right at my fingertips.

COUNCILWOMAN BROWN: Okay. And I would want the detail breakdown both for the Airport and for the marketplace.

MR. GREENBERGER: Sure.

COUNCILWOMAN BROWN: And further broken down by retail, food establishment, novelties, et cetera, et cetera, et cetera.

MR. GREENBERGER: I'll ask them for that. So the "marketplace," meaning all the retail and then broken down by the different types of retail? Let me see what I can find for you.

COUNCILWOMAN BROWN: And during the break, I was reviewing mail wherein I saw a letter from Mr. Agostini.

(Witness approached witness table.)

COUNCILWOMAN BROWN: Good afternoon.

MR. GREENBERGER: And there he is, just like that.

COUNCILWOMAN BROWN: Wherein you actually gave us a heads-up asking us to be prepared, if there is backup information, we want to give you 48 hours, your office, 48 hours notice so you can have your department heads ready for --

COUNCIL PRESIDENT VERNA: And he has committed to me that he'll make sure that we get 48 hours notice of testimony.

MR. AGOSTINI: To review the testimony, that's correct.

It was a gesture on our part. We know that there are questions you're going to have. We'd like to come prepared. If we have some sense of what those questions are, we'd like to be able to answer those questions. That, of course, shouldn't preclude anybody from asking us questions about things that come up so that we come back with answers for you. But I just thought it was an opportunity to see if there are particular things that members had where they wanted to see some information from us.

COUNCILWOMAN BROWN: Sure. We appreciate that. That is a first. So know now that across the board for every single City department that comes before us -- as a former manager, there's something called standard operating procedures. I want to hear from every single department head in the testimony broken down what the inclusion goals are, what happened last year and what is the status this year, both procurement, contracts and staffing.

MR. AGOSTINI: Councilmember, we actually had a meeting yesterday where we met. There were probably 40 of us, where we have asked for that to be prepared in advance so that we can provide that as part of the testimony.

COUNCILWOMAN BROWN: Okay.

MR. GREENBERGER: It will be in each department's testimony.

COUNCILWOMAN BROWN: Terrific. Thank you very, very much, starting with the Airport.

MR. GREENBERGER: Starting with the Art Museum, then the Airport, yes.

COUNCILWOMAN BROWN: Okay.

Thank you very much, Madam Chair.

COUNCIL PRESIDENT VERNA: You're welcome.

The Chair recognizes Councilwoman Miller.

COUNCILWOMAN MILLER: Thank

you, Madam Chair.

This question is regarding the stimulus package. How much did the Capital Program Office receive from the stimulus package in Fiscal Year 2009? On March 31st, 2009, you received an opportunity for recovery funding, which the City was an eligible applicant. Would you please forward to the Chair a new list for 2011 and also a detailed list with what was available to the City in 2009 and 2010 and what the City actually received? And would you also add a column as to what the funds were used for and whether the funds were actually used?

MR. AGOSTINI: I would be happy to provide that to the Chair. I can give you a bit of an overview right now.

For FY10, what we have set aside for capital projects is roughly $10 million in paving in the Streets Department and about 35 or 36 million in Aviation. I believe that's the number for a variety of projects. There is also about $200,000 in the Water Department from Pennvest for purposes of borrowing for large capital needs. But we can bring you back the exact list.

Most of the funds were awarded in FY10. They have two- to three-year lifespans, if you will, to them. We have not -- we are not aware of awards to date for FY11 in the Capital, but, again, I can prepare that and bring that back through the Chair.

COUNCILWOMAN MILLER: Okay. This question is regarding inclusion, diversity inclusion. What percentage of 2009 and 2010 contracts were awarded to minority and women-owned businesses, and would you please forward to the Chair a list of all projects and the breakdown by dollar amount of the contracts and how much was awarded to minority, women or disabled firms, and how many no-bid contracts were awarded in 2006 through 2010, and would you please forward that list to the Chair also of the breakdown?

MR. GREENBERGER: Okay. We will get you the breakdown.

COUNCILWOMAN MILLER: And I have a question. It's not really capital related, but when you talk about investing in our youth, I was kind of worried yesterday when I read the article that the program Don't Fall Down in the Hood, which is the prevention part of their program, was not funded, and when DHS comes up, I'd like to hear more about what are they doing to fund youth crime prevention programs such as Don't Fall Down in the Hood. They were here probably about two years ago as a part of a hearing that I sponsored to take a look at youth violence here in the City, and Don't Fall Down in the Hood is an excellent program, and the prevention part is what we're looking for, I thought, but they're not funded. So I'd like to get more information on that.

MR. GREENBERGER: We'll relay

that request to Deputy Mayor Gillison. I think he can speak to that.

COUNCILWOMAN MILLER: Okay.

That's it, Council President. Thank you.

COUNCIL PRESIDENT VERNA: The Chair recognizes Councilman Rizzo.

COUNCILMAN RIZZO: Thank you.

I think you thought you might have heard the last of this Capital Program discussion, but I just would like to know, Councilman Clarke explained how it was and we created the Capital Programs Office, now we're back to the way we're doing it now. Do you know if the commissioners of the various departments have ever prioritized their needs?

MR. GREENBERGER: When we meet with them in this round of meetings that started late September, early October, we meet with every single department. This is the City Planning Commission office through Alan Urek, and Chris Donato is part of those meetings. We meet with every single agency, talk about the ground rules for submitting their requests, and they prioritize and then subsequently present to us their priority list of projects.

COUNCILMAN RIZZO: So then this conversation that went on for longer than it should have, I think, about the roofs on police and other City facilities, then why don't we just listen to the people that run these organizations and do it in the order that they in fact believe would serve their interests? Isn't that a simple thing?

MR. GREENBERGER: Yes.

COUNCILMAN RIZZO: So why aren't we doing that?

MR. GREENBERGER: That is what this plan reflects, but I have to say we understand that their sense of priority projects may not be the same as an individual Councilmember or the public at large who may not see some projects getting done.

COUNCILMAN RIZZO: But you know how long I've been hearing about this floor at Engine 9 at Carpenter? You know how many years I've been hearing about the floor?

COUNCILWOMAN MILLER: Ten years.

COUNCILMAN RIZZO: Every day I think when I go by there that I'm not going to see a fire engine in the -- I think it's going to be in the basement.

MR. GREENBERGER: It's my fire station, too.

COUNCILMAN RIZZO: Hasn't the Fire Department spoken up and said, We need this done?

MR. GREENBERGER: I can't -- I hear you.

COUNCILMAN RIZZO: I would think so.

MR. GREENBERGER: I hear you and --

COUNCILMAN RIZZO: But my point

is, why don't you give some responsibility back to the people that run these organizations and listen to them? That doesn't mean rubber stamp everything they say, but at least is the firehouse at Carpenter and Germantown a dangerous situation?

MR. KNAPPICK: We haven't -- to be totally honest with you, we feel that it needs a structural evaluation. Not all floors are spandrel type floors.

COUNCILMAN RIZZO: After ten years, we don't know whether that's a problem or not, after ten years of talking about it?

MR. KNAPPICK: We've gone down and investigated it and we've taken a look in our office, structural engineers, to see whether the distress was at a point where we felt there could be failure, and we didn't believe so, but we certainly felt that it was progressing and that it should be taken care of. And, yes, you're absolutely right, it's something that should be done. Unfortunately, we've taken funding --

COUNCILMAN RIZZO: Well, believe me, if by next year you come back and tell us it's done, you'll be a very popular guy in this Chamber.

MR. KNAPPICK: I could use a little popularity.

COUNCILMAN RIZZO: Right. That was my point.

Again, even though we're going back and talking about this, could you start listening to the people that run the various departments? If they aren't part of the process, that is really disturbing to me.

MR. KNAPPICK: We communicate with them every day, and there are numerous needs and numerous situations that arise during the course of just normal operations which -- I mean, we try to sit down every year and develop a long laundry list of projects and prioritize those projects, along with the dollar values associated with them, and it's simply a matter of directing the money to the most needs, and other needs come up during the course of the year that --

COUNCILMAN RIZZO: Well, a leaky roof shouldn't need any consultation. It should be taken care of in a city like Philadelphia. We shouldn't have the exposure. I mean, I talked to a detective in one of the police divisions that told me he had to get a trash bag at the end of the day, put it over his desk so his reports and work, if it rained -- every day a trash bag over his desk so it wouldn't get damaged during the course of the night. That's a sad situation.

MR. KNAPPICK: It certainly is.

COUNCILMAN RIZZO: Thank you.

Thanks, Madam President.

COUNCIL PRESIDENT VERNA: You're welcome.

The Chair recognizes Councilman Jones.

3/16/10 - WHOLE - BILLS 100115 & 100116

COUNCILMAN JONES: Thank you, Madam President.

I left off with my questioning on retaining walls, which there was an appropriation for $70,000, I believe, for the entire City, which to me would only do a half of a retaining wall, and I wanted to get some explanation as to why such a low priority on retaining walls considering the infrastructure problems I see at least in my district.

MR. KNAPPICK: Councilman Jones, could you --

COUNCILMAN JONES: While you research that, someone from the Youth Study Center can come up and tell me if we are on pace to complete the new facility so that they might vacate the temporary facility in a timely fashion.

MR. GREENBERGER: Could you just help me out a second? The reference to retaining wall, where are you seeing that? I don't have an answer, but I want to get you one.

3/16/10 - WHOLE - BILLS 100115 & 100116

COUNCILMAN JONES: Page 38, Line 29, I believe.

MR. GREENBERGER: Page 38, I'm looking at -- there was a mention of retaining wall under -- you mean under "infrastructure" there?

COUNCILMAN JONES: Yes.

MR. GREENBERGER: In Fairmount Park. Okay. Let me get you a better answer, because I actually don't know exactly what that's -- it's pertaining to a lot of things, it looks like.

COUNCILMAN JONES: We've been researching a lot of things.

Also, we received a lot of money for stimulus projects such as 17.5 million in FY11 for street paving. When we get money from the stimulus, does that add on to the Capital Budget in a separate way or do we combine them somehow and just take projects off of the plate because we found a substitute by way of sources of money, or is that -- because if we have two separate pots, then we should have twice as many and twice as much capacity to do other capital projects, which worries me because we're having a heck of a time getting the ones out of the gate that we already have appropriations for.

MR. GREENBERGER: I'm sorry. When Stephanie was just telling me something about the retaining walls, I think I missed the critical part of the sentence. I apologize.

COUNCILMAN JONES: No. Let's start with retaining walls and I'll come back to my critical point, because I only get five minutes.

MR. GREENBERGER: I just didn't hear what the subject was in that question.

COUNCILMAN JONES: The subject is, as we receive capital project money from the stimulus and it comes into our coffers; for example, the 17.5 million for street repaving, does that mean that that money that we may have done projects with, is that a new source, new found money that can be freed up to do other projects coming down the pike? And Part B of that is, if so, how do we ramp up internally to get that money on the street, which begs the question -- the answer to the question I asked earlier.

MR. GREENBERGER: If I'm understanding you right, Councilman, I think one of the things we're always looking for is what are the other sources of money that are coming in so that we then, based on the capacity to sort of put that back out, let's say the street repaving money, can be then diverted to other things to maximize the impact of the Capital Budget.

COUNCILMAN JONES: I guess in general street paving was the example. Is the rule that when we receive dollars from the stimulus money, does that add on to our capacity to do additional projects in the future?

MR. AGOSTINI: Yes and no.

COUNCILMAN JONES: All right.

MR. AGOSTINI: And the reason is that the stimulus funding, as I understand it, is for particular streets that have to be eligible, and I believe there are types of streets that are federal highway or particular trunk roads that lead into the federal highway, but Streets can answer that more precisely. So that allows us to do certain paving projects for certain types of streets.

There is, however, a very significant backlog for Streets generally in terms of meeting our paving needs, which the 17 and a half million that we put into the Capital Budget is an attempt to address.

So the yes is, yes, it augments what we have. It means we have more to spend. No, in that you can't take the stimulus dollars and use them for some of the other street-paving projects citywide.

COUNCILMAN JONES: So at the

end of the day, if we have -- let's do it in round figures -- $25 million and we received an additional $10 million, then conceivably at the end of the day, we might have an extra $15 million to do some other projects. Yes? Just general round-figure math.

MR. AGOSTINI: Again, because they're not a one-to-one replacement, if we receive today -- for example, if we were to get an award for another $20 million in paving, they will be for specific types of streets. To the extent that we had already planned to pave those streets with General Fund dollars or borrowing, yes, it would indeed do what you've just described.

COUNCILMAN JONES: All right. I'm going to leave it very general like that, because that's a good answer.

So then we could reconsider our position on driveways and alleys to do some creative things for our infrastructure needs there? In my district, there are alleyways that are so much in disrepair that wildlife has literally taken over, because the weeds that used to be weeds are now trees, creating a habitat for them to breed, and they are the dominant species in those alleys.

So potentially, if we ironed out the private property issues and the like, we could use those extra dollars to accommodate needs like safe passage for first responders through clear alleyways and safe response to things like fire, police and other emergency paramedics and things like that?

MR. AGOSTINI: Assuming you freed up dollars, could it be used for other purposes? Theoretically, yes. What it gets used for then becomes a policy call for this body and the Mayor to discuss.

COUNCILMAN JONES: This is the best news I've heard all day. Thank you.

Madam President.

3/16/10 - WHOLE - BILLS 100115 & 100116

COUNCIL PRESIDENT VERNA: Councilwoman Brown, did you want to be recognized?

COUNCILWOMAN BROWN: I had a follow-up.

COUNCIL PRESIDENT VERNA: Yes. Councilwoman Brown.

COUNCILWOMAN BROWN: Thank you. Thank you. Thank you.

Let me stipulate on that look-see of the big picture of inclusion that with the Department of Human Services, that includes the non-profits, and in CBH, that includes the non-profits that the City is doing business with. They're not exempt from this review process?

MR. GREENBERGER: That's correct. And since you brought it up, and one of the things we need to come to grips with is exactly how much of this is being spent on non-profits and how to, which we're working on, how to classify non-profits so that we can also then make that sort of a formal part of our progress on OEO issues, because right now non-profits don't have -- there's no defined -- there's no way to define their ownership exactly. Other cities have the same problem. We're looking at what they do to sort of help define that, because we want that part of the picture.

COUNCILWOMAN BROWN: Yes. Okay. Thank you.

With regards to the Naval Shipyard, annually my office hosts a tour of the Naval Shipyard for small business owners, and to Peter Longstreth's credit, they have, I believe, engaged in some non-traditional approaches to getting the word out about the opportunities down there at the Naval Shipyard.

If you would, speak to the proposed infrastructure improvements around the Naval Shipyard and the numbers again on inclusion with that major development that's happening down there.

MR. GREENBERGER: I'm going to

have to ask -- I don't think there's somebody here from PIDC.

Oh, they are. Good.

I want a more detailed description than I'm capable of giving you.

COUNCILWOMAN BROWN: Surely.

(Witness approached witness table.)

MR. ZAPPILE: Thank you. I'm Carmen Zappile from PIDC.

COUNCILWOMAN BROWN: Good afternoon. And, again, let me state for the record my appreciation for the leadership there and what they do to make sure that the word gets out this way and this way with regards to opportunity there.

So speak to, if you would, the developments around the infrastructure improvements and what the agency is doing to ensure inclusion.

MR. ZAPPILE: Okay. Well, as you may or may not know, we've had a number of things going on down there, probably about $100 million worth of work over the past year, some of them water utility, a lot of streetscape improvement. And what we have in the budget for this year coming up is a sea wall rehabilitation.

COUNCILWOMAN BROWN: It's a who what?

MR. ZAPPILE: It's a rehabilitation of the sea wall.

COUNCILWOMAN BROWN: Sea wall?

MR. ZAPPILE: Of the sea wall. So if you go down to the Navy Yard down to Broad Street, you'll see the wall that's running the river. It's 100 years old. It's falling apart. So that's actually an Army Corps of Engineers project that we're cost sharing with them.

But the way we do it in terms of our participation is, we go to the OEO Office, we coordinate with them and say, This is our project, what ranges would you like for this project. We put them in the contract, and we always meet our goals there. So every project is kind of submitted on an individual basis, and that's how we get our ranges, and we put it in our bid work, and we haven't had a problem with that.

COUNCILWOMAN BROWN: So the process you just stipulated, that is in place for the sea wall and so you've already had the discussion with OEO?

MR. ZAPPILE: Yes. Now, the sea wall is a slightly different case, because that's actually an Army Corps of Engineers project. They actually will bid that project out themselves. That's rare. We normally -- PIDC will normally do that. They bid it out. They come up with federal ranges for that. So that's slightly different. But everything else goes through the OEO Office, and whatever ranges they ask for, we put it in, whether it's professional services or construction activities, and we get those ranges.

COUNCILWOMAN BROWN: So at the juncture that the Commerce Department comes before us, we'll look to what has already been indicated by your leadership, that we'll get that broken down.

MR. ZAPPILE: Exactly, yeah.

COUNCILWOMAN BROWN: Okay, then. Thank you for your testimony.

MR. ZAPPILE: You're welcome.

MR. GREENBERGER: Could I ask Dr. Schwarz to just come up for a second, because he tells me I wasn't wholly correct on something.

COUNCILWOMAN BROWN: Okay.

MR. GREENBERGER: So I wanted to do that.

COUNCILWOMAN BROWN: Sure.

(Witness approached witness table.)

DR. SCHWARZ: Don Schwarz, Deputy Mayor for Health and Opportunity.

I don't want to in any way

contradict. I think you were correct, and I understood the Councilwoman's question. This regards non-profit MBEC information for DHS and Behavioral Health. I want to be clear. We don't have agreed-upon criteria, and the issue, as we've talked about before -- and I want to make it clear so that you're not disappointed in any way about this -- we need to figure out -- and other cities around the country haven't figured this out either -- whether we look at -- because there's no ownership in a non-profit. For for-profits, we look at ownership and minority, women or disabled ownership, which is capital that people have at home. Because non-profits don't have ownership, it's an open question whether we look at Board composition, we look at who the Executive Director or executive staff are, who the staff in general are or who the clients served are. And we don't have criteria. And other cities are struggling with the same thing.

COUNCILWOMAN BROWN: Okay.

DR. SCHWARZ: So I don't want you to think or Council to think that we can come back and easily say, It's X proportion minority, whatever, because it's not owned.

COUNCILWOMAN BROWN: Okay. So my only follow-up briefly is, for organizations that are receiving X percentage of dollars from the City, whatever that number is, then there are many of us on this Council who then care about what the Board looks like, does it look like Philadelphia, those entities that they subcontract to, are they subcontracting with local-owned MBE, WBEs. And I have asked repeatedly for information on PHMC. I'm still waiting for it a year later.

DR. SCHWARZ: So we do already provide you with subcontracts that are for-profit. So if we contract with a non-profit and they subcontract with a for-profit, so there's ownership, we already provide Council with the information for OEO-related status for those for-profits.

COUNCILWOMAN BROWN: Okay.

DR. SCHWARZ: We will come back for our agencies with Board composition proportions for you.

COUNCILWOMAN BROWN: That matters. Thank you again.

Thank you, Madam President.

COUNCIL PRESIDENT VERNA: You're welcome.

Mr. Greenberger, on Page 3 you mention that $1.5 million --

MR. GREENBERGER: Of the testimony?

COUNCIL PRESIDENT VERNA: Pardon me?

MR. GREENBERGER: I'm sorry. Of the testimony?

COUNCIL PRESIDENT VERNA: Yes.

MR. GREENBERGER: Okay. Go ahead. Sorry.

COUNCIL PRESIDENT VERNA: -- (continued) is recommended for GreenPlan Philadelphia initiatives. Can you detail these initiatives and their locations?

MR. GREENBERGER: I can try. I know that the head of the Mayor's Office of Sustainability was not available today, but let me -- just give me a moment, please.

COUNCIL PRESIDENT VERNA: Sure.

(Witness approached witness table.)

MR. UREK: Good afternoon. I'm Alan Urek from the City Planning Commission.

I'll try to articulate some. In the past year, a fair amount of the budgeted amount was used for Parkway improvements. There also is several hundred thousand dollars previously spent on matching grants to community organizations that do greening projects, and we work through the Pennsylvania Horticultural Society to screen those applications. And those are generally the kinds of things that the GreenPlan line item supports.

COUNCIL PRESIDENT VERNA: Thank you.

Also on Page 3 it is being recommended that the Philadelphia Prison System use $2 million in new City funds for an automatic lock security system at the House of Corrections facilities. Are we replacing the automatic security locks or are they new?

(Witness approached witness table.)

COUNCIL PRESIDENT VERNA: And you mean we haven't had anything like this before if they're new?

DEPUTY COMMISSIONER GAINEY: Madam President, Clyde Gainey, Deputy Commissioner for the Philadelphia Prison System.

The project that we're speaking about is a life-safety project to replace approximately 60- to 70-year-old locks and bring them into code so that we can gang release the locks in case of an emergency.

COUNCIL PRESIDENT VERNA: Thank you. I was just wondering if it was a replacement issue or a new issue, and I thought how could it be a new issue if --

DEPUTY COMMISSIONER GAINEY: We've been trying to get it done for a while.

COUNCIL PRESIDENT VERNA: Wonderful. Well, thank you.

Do we have any other member that wishes to be recognized?

Councilman Jones. I'm sorry.

COUNCILMAN JONES: I was still seeking the answer about the Youth Study Center, but in the meantime, last year we asked the question of PIDC, the Redevelopment Authority to do an analysis of City-owned or quasi-owned properties and to give us a valuation of those properties so that members and government officials could better market them to potential developers. Considering our budget crisis then and considering our budget crisis now, that is an opportunity to gain revenue. I wanted to know how we have done thus far in value of the properties that we have in our inventory.

MR. GREENBERGER: I know that -- what I'm going to do is ask Terry Gillen, the Executive Director of the Redevelopment Authority, to give you a report on that. I do know that she's been working over the course of the year -- no, I don't think she's here, if you're looking around. Sorry.

COUNCILMAN JONES: We've been waiting for that report for a year.

MR. GREENBERGER: I hear you.

COUNCILMAN JONES: I mean, we've been waiting for that report for a year. And we're talking about revenue enhancements, which is a nice way of saying taxing the people, when we don't even know what the resources are within our own coffers. And it is frustrating for developers who may want to come in and do something and we don't even know what we own, how much it is worth in order for us to even kind of put it on the market. I mean, we've been waiting for that for a year, so, I mean --

MR. GREENBERGER: I understand that. It's --

COUNCILMAN JONES: We go through the testimony to see what question we asked and whether we ever got an answer a year later, and in this case, we have not.

MR. GREENBERGER: That's why I want to ask her to get you a report on what she's done during the year, because I do know -- I don't know the details of it because it's within the Redevelopment Authority system, but I do know that she's found, as she started to look at it, the same problems that you found, and she's been pulling together -- trying to pull together a system that brings us up to date on what do we -- all the things you said, what do we own, what's it worth, what do other agencies own, because Redevelopment Authority isn't the only one that owns public property. And I don't have that in hand, but I'm going to talk to her about that and try to get you a report. I apologize. That's the best I can do.

COUNCILMAN JONES: I mean, Madam President, I'm frustrated that we're halfway through an administration and we've asked for that property report consistently during budget, Operating Budget, during Capital Budget. It doesn't take -- we could use a calculator and do it by that amount of time. And with all of the high-powered consultants we have, that answer just doesn't cut it.

And, seriously, when we -- but we are ready to ask people to pay a trash fee, we're ready to ask people to deal with their sugar consumption through beverages, but we are not prepared internally to say what our inventory and assets are.

Thank you, Madam President.

DEPUTY MAYOR GILLISON: Councilman, I'm sorry --

COUNCIL PRESIDENT VERNA: Councilman Goode.

DEPUTY MAYOR GILLISON: I'm sorry, Councilman.

I'm sorry, Madam President. I was brought forward. You had a question about the Youth Study Center? I wasn't in the room. I'm sorry.

COUNCILMAN JONES: I just wanted to hear the good news about the construction of the new facility.

DEPUTY MAYOR GILLISON: We are still on target. We did have a delay as a result of the snow and there was an issue with water in the foundations, but we have dealt with that and we're moving forward. I do not believe that it has delayed us in any way with the schedule that I have previously provided to the Councilman.

COUNCILMAN JONES: That's good news. That's the second best news I got today.

Thank you, Madam President.

COUNCIL PRESIDENT VERNA: I have to agree with my colleague. I think we all feel the same frustration.

Do you have any indication as to when we will be getting the information from the Redevelopment Authority?

MR. GREENBERGER: I wish I could tell you that I did, but I don't. But I will ask that question.

COUNCIL PRESIDENT VERNA: When will we get an answer?

MR. GREENBERGER: I will talk to Terry this week.

COUNCIL PRESIDENT VERNA: Thank you.

Are there any other questions from members of the Committee?

Councilman Jones.

COUNCILMAN JONES: The Health

Department, Dr. Schwarz, I still have no health centers, City-owned health centers, in my district. That's okay. But I wanted to ask questions about the electronic health records and how that was proceeding.

(Witness approached witness table.)

DR. SCHWARZ: It's going well. We posted a request for proposals in the fall. We've done a review of contractors. We hope to announce a particular contractor by the end of the month. That is slightly ahead of our schedule. We will then need to get to a contract and begin implementation. We hope to begin implementation in July, with a pilot in one location by probably late next winter, and then roll out all the health centers through the remainder of the Fiscal Year '12, to be followed by other parts of the public Health Department, the STD clinic and things like that.

3/16/10 - WHOLE - BILLS 100115 & 100116

COUNCILMAN JONES: Now, this will be able to be interfaced with private hospitals, things like that, to aid in the understanding of a patient's actual condition, pre-existing and otherwise?

DR. SCHWARZ: It will have the capability and we're happy to do it. The issue is that sort of interconnectable network among hospitals needs to be built.

COUNCILMAN JONES: I had an opportunity to see one of the federally funded health centers in my district, and one of the scariest ideas was that there was a room maybe a third the size of this Chamber filled with physical files, everybody's health condition that actually came to that area. Now, if someone is rushed to the hospital and they need a procedure, to have to physically Pony Express that to a hospital is a frightening thought, because sometimes conditions and

3/16/10 - WHOLE - BILLS 100115 & 100116

treatment is determined by a pre-existing condition or a history that a patient has.

The second issue is that, isn't that federal stimulus money that was applied to that?

DR. SCHWARZ: There's federal stimulus money that some is out and some has yet to come out. You may know that when the stimulus act was written, about two-thirds of the text of the act was the creation of a federal-level health information technology department or area within the Department of Health and Human Services. So that there was a lot of money invested and a lot of planning that went into that, and it will roll out over time.

We've had relatively small amounts of money available, largely for either state initiatives or private initiatives related to hospitals, which the Health Department in the City has been a partner, and we're hoping that there will be interconnectability among hospitals here. We're also waiting for larger amounts of money to come either from the federal government or the state.

COUNCILMAN JONES: Were there any eligibility criteria that would allow for telemedicine?

DR. SCHWARZ: I don't think -- I don't know that there were for us in the City. I'm not aware of any. If you are, I'm happy to hear, but I don't know.

COUNCILMAN JONES: No. That wasn't a trick.

DR. SCHWARZ: No, I don't know of any.

COUNCILMAN JONES: That was a sincere question, because, again, in some underserved parts of my district, that is a valuable tool, where conceivably a van or a mobile unit can pull up to a public housing unit and right in a rec center open up in a manner of an hour or two and be able to service all of the people of that district. I think those are the kinds of technological investments that, as I say, if we're not going to build a health center in my district, then we can convert, and one of the things that the Mayor talked about early on was multi-purpose buildings, buildings that had different uses and could be converted from recreation to a health center, if need be. And I think those kinds of investments in technology would be something that my colleague, Bill Green, always talks about, which is investing in technology, that we might want to follow up and see if there is an opportunity at the federal level to do some beta testing of that kind of concept.

Thank you, Doctor.

DR. SCHWARZ: Sure.

COUNCILMAN JONES: Thank you, Madam President.

COUNCIL PRESIDENT VERNA: You're welcome.

The Chair recognizes Councilwoman Brown.

COUNCILWOMAN BROWN: Thank you, Madam President.

My question was triggered by my colleague, Councilman Jones, wherein his interest is in how do we -- vacant buildings, multi-purpose use for vacant buildings. Do you know if there are any models in the country, Dr. Schwarz, where --

MR. GREENBERGER: I had dismissed him. Sorry.

COUNCILWOMAN BROWN: That's all right.

-- (continued) where a City agency partners with an independent school, for example, that has everything that a healthcare center would need, but the city doesn't have the resources to make that real? So it partners with an independent school that has everything it needs, the facility and the like. What type of impediments might exist for that kind of partnership?

DR. SCHWARZ: You may know that

we have had school-based health centers and we still have some in Philadelphia, although fewer than we did a decade or two decades ago.

COUNCILWOMAN BROWN: Okay.

DR. SCHWARZ: There are two significant reasons for that, both related to funding. The first is that there have been federal dollars for school-based initiatives which the Commonwealth has gone after to some extent, not as much as some other states, for a whole host of reasons, and has not chosen to invest heavily in Philadelphia, in part because we have, compared to other parts of Pennsylvania, a fairly rich network of health providers.

And the second is that we have what's called managed care for Medicaid. What that means is that each person who is in the Medicaid program is assigned to a particular primary care provider, and that means that for children at school, if the school becomes their primary care provider, the school-based site must be able to provide care 24/7, and there are very few school-based sites that can do that because of scope. Even though there are many children in the school, not every child usually will want to go to that health provider, and when you look at the actual numbers, even in big schools in Philadelphia, there hasn't been a good break-even for that kind of programming.

Now, we have had federally qualified health centers that have had satellite sites in schools where the federally qualified health center is the site that receives the capitated -- the money from Medicaid as the primary care provider and they've done outreach into a school. It's not precisely the same, but it at least gives some idea of that kind of model.

COUNCILWOMAN BROWN: Surely. My last follow-up question would be, it's so difficult for working mommies and daddies to get their children to physicians 9:00 to 5:00 Monday through Friday. Do you know of any models in the country that accommodate weekend hours and/or evening hours?

DR. SCHWARZ: So our own health centers do that. Every health center has evening hours and most have -- some have weekend hours. We expanded during the H1N1 epidemic to be able to accommodate people in more sites. And a number of the federally qualified health centers also have evening or weekend hours, and some of the institution-based sites do, but not quite as many.

COUNCILWOMAN BROWN: Okay.

DR. SCHWARZ: There's mixed opinion if you poll people about whether people would like to come out at night, for instance, to go and after dinner. Families that are working families, there's -- the medical literature is not clear and I can tell you from talking to colleagues in Philadelphia because of thinking about the health centers and what our experience is in the health centers, there's mixed opinion about whether people would come, whether it's a convenience or an inconvenience for a lot of families. They would prefer not to go to the doctor on Saturday, for instance. And where we've seen probably the biggest issue is emergency care. So many people end up in the emergency room because there's no urgent care in primary care sites.

COUNCILWOMAN BROWN: Exactly. Thank you, Dr. Schwarz.

Thank you, Madam President.

COUNCIL PRESIDENT VERNA: You're welcome.

Councilman Jones.

COUNCILMAN JONES: Thank you for your indulgence, Madam President.

Just for the record, there are 713 publicly owned properties in the 4th Councilmanic District, and I couldn't tell you what one of them was worth. So that we know.

Second thing is, Water Department, bio-retention basins, rain gardens. I would like to get an update on where we are with that.

(Witness approached witness table.)

COUNCILMAN JONES: It's my understanding we have a $1.6 billion plan to deal with our storm water management, and a subset of that plan is rain gardens and bio-retention basins to capture some of the rainwater runoff, and I want to understand where we are in that capital project.

COMMISSIONER BRUNWASSER: Well, we're -- I'm Bernard Brunwasser, Water Commissioner.

Councilman, we're at the very early stages. The plan that we have proposed is one that needs to be approved by the Department of Environmental Protection in Pennsylvania and also by the Environmental Protection Agency. At this point in time, they are reviewing our plan, which is in excess of 3,000 pages long, with lots of charts and so forth, and we're in discussion with these regulatory agencies as to whether they agree that we should go down this path.

We believe that this is the way for Philadelphia to meet its requirements as far as storm water management and also combined sewer overflows, and we believe that this is a superior way to handle this water, superior to building tanks and deep tunnels throughout the City at many billions of dollars, unfortunately, to meet the requirements of the federal government. We would rather do most of this capture and keeping storm water out of those old systems by doing much more greening on the land.

Now, as far as these types of projects are concerned, we have seen what's being done in other parts of the country. We have done some demonstration projects ourselves, and we are working with our design staff and consultants to come up with the best way to get the most bang out of our dollars in the future. But it is a work in progress.

COUNCILMAN JONES: I remember in our previous meeting you told me this, but what percentage of the City has the dual systems?

COMMISSIONER BRUNWASSER: Well, yeah. The one type in the street, the one large sewer pipe in the street that handles both sanitary sewage and also storm water, that's approximately 60 percent of the City. Now, those sewers are predominantly in the older sections of the City, those where the housing stock and the factories and commercial development goes back prior to World War II. Since World War II, by and large, areas that were built out like the Far Northeast and Roxborough and Eastwick have the separate systems, one large sewer main in the street for storm water and a smaller one for the sanitary, and the sanitary storm water goes directly to the wastewater treatment plant and the separate storm water pipe goes directly to the river or the creek.

In the older sections of the City, during dry periods, all of the flow goes to the sewage plant to be treated. The problem comes into effect when there's heavy rain like we just had and these combined sewers, the one big pipe in the street, gets full of water and the diluted sewage goes to the river and the creek because it would overload the plant at the time and there's not that capacity.

So that's what we're dealing with. That was the science of the past, and this was the accepted engineering solution to cities and their runoff. The federal government says that is no longer acceptable and we have to move to keep that diluted sewage out of our streams and rivers.

COUNCILMAN JONES: What

percentage of our piping infrastructure gets replaced annually?

COMMISSIONER BRUNWASSER: Excuse me?

COUNCILMAN JONES: What percentage of the pipes get replaced annually?

COMMISSIONER BRUNWASSER: We're replacing a little more than half a percent of the pipes. Over the last 15 years, we have been averaging about 19 to 20 miles of water main replacement a year and a lesser amount of sewer main. Sewer main is --

COUNCILMAN JONES: And there was no stimulus money that could have doubled, tripled that amount of pipe replacement that we could have gone after?

COMMISSIONER BRUNWASSER: No. The federal government determined that for water and sewer infrastructure, they were going to work with the already-developed state offices for revolving loan funds for water and sewer infrastructure. In our case out of Harrisburg it's Pennvest, is the office, and they in turn -- they received about $240 million worth of grant money for water and sewer infrastructure, and we received loans that were normal Pennvest loans in the amount of close to $200 million, but we have to pay those back.

COUNCILMAN JONES: It just seems that 60 percent of our infrastructure is an environmental catastrophe to our streams, even though we do the best we can with the engineering of a century or so ago.

COMMISSIONER BRUNWASSER: Absolutely.

COUNCILMAN JONES: I know we're one of the best systems in America. I get that drilled into me, and I agree, but wouldn't it be wonderful if we could make a project out of replacing that? A young person graduating from high school today could retire off of that work.

COMMISSIONER BRUNWASSER: Oh, yeah.

COUNCILMAN JONES: I mean, if we just looked at how we can get public benefit from improving the environment and stimulating our economy, that's right beneath our feet.

COMMISSIONER BRUNWASSER: Absolutely. One of the other things that we're doing is, we are reallocating the way we charge for storm water to commercial, industrial parcels. What we've been using ever since the Water Department took over storm water is, we use the surrogate of meter size. The larger the meter, the larger the parcel. But it's not always true, of course, in reality. So what we're doing is, we're moving towards the larger and more impervious the parcel, the higher the cost. The smaller the parcel or the more pervious takes on more storm water, infiltrates it, the lower the cost. And we have, as part of the rollout of this program, incentives for commercial, industrial customers to reduce -- get credits for reducing the flow that comes off their parcel.

So there are going to be a lot of private jobs, I would imagine, in Philadelphia for installation of storm water retention basins and perhaps new parking lots, pervious parking lots, islands of grass and plants, things of that nature, in order for large companies to actually reduce their storm water burden to the Water Department. And so there are jobs out of this. Jobs will be created in the public sector, the Water Department, Streets Department, places that will do things to the streetscape and to the public -- to public lands, and then there'll be jobs coming about in the private sector in reaction to the cost of storm water runoff.

COUNCILMAN JONES: Again, I posed this question earlier on the capital projects. There needs to be an analysis to see how much we contract out to the private sector versus what jobs we can do internally that we can control the job creation. Rain gardens, bio-retention basins are the kinds of projects that if you take it to an industrial high school and train young people, you get a number of key essential skill-sets. You become part masonry, you become part plumber, you become part botanist, you become part geologist. You have to know a little bit about insects and what types of plants not to plant, and in so doing, you create, as you mentioned, a cottage industry that is Philadelphia based.

COMMISSIONER BRUNWASSER: Correct.

COUNCILMAN JONES: And I just think that we have these opportunities before us and we need to take maximum advantage of them.

I appreciate what you're doing in the Water Department. I know about the effort to do the rain gardens, and in part of my district where we have flooding problems, where we have soil erosion problems, sinking home problems, these solutions may be the difference between us making a small fix today versus a huge relocation, like Logan, tomorrow, and I think it's important that we have forward-thinking in this.

So thank you.

COMMISSIONER BRUNWASSER: Thank you.

COUNCILMAN JONES: Thank you, Madam President.

COUNCIL PRESIDENT VERNA: Thank you.

Are there any other questions from members of the Committee?

(No response.)

COUNCIL PRESIDENT VERNA: Seeing none, this Committee will stand in recess until tomorrow, Wednesday, March the 17th at 10:00 a.m.

Thank you very much.

3/16/10 - WHOLE - BILLS 100115 & 100116

(Committee of the Whole recessed at 2:00 p.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 16, 2010, and that this is a true and correct transcript of same.

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MICHELE L. MURPHY

RPR-Notary Public

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