

1

CORRECTED TRANSCRIPT

2

COUNCIL OF THE CITY OF PHILADELPHIA
PUBLIC HEARING AND PUBLIC MEETING
BEFORE THE COMMITTEE OF THE WHOLE

3

4

- - -

Room 400, City Hall
Philadelphia, Pennsylvania
Tuesday, October 17, 2000
3:07 p.m.

6

- - -

7

8

9

10 BILL NO. 000583 - Authorizing amendment of PFMC
11 Agreement to provide for temporary change in
amount of temporary financing that the City may
12 provide to PGW. . .

13 BILL NO. 000590 - Making certain additional
14 appropriations needed to meet unanticipated
emergency created by a cash flow crisis at PGW.

15

PRESENT: COUNCIL PRESIDENT ANNA C. VERNA, Chair
16 COUNCILWOMAN JANNIE BLACKWELL, Vice Chair
COUNCILWOMAN BLONDELL REYNOLDS BROWN
17 COUNCILMAN DARRELL L. CLARKE
COUNCILMAN DAVID COHEN
18 COUNCILMAN W. WILSON GOODE, JR.
COUNCILMAN JAMES F. KENNEY
19 COUNCILWOMAN JOAN L. KRAJEWSKI
COUNCILMAN W. THACHER LONGSTRETH
20 COUNCILMAN RICHARD T. MARIANO
COUNCILMAN MICHAEL A. NUTTER
21 COUNCILMAN ANGEL L. ORTIZ
COUNCILMAN FRANK RIZZO
22 COUNCILWOMAN MARIAN B. TASCO

23

- - -

VINCENT VARALLO ASSOCIATES, INC.
24 Registered Professional Reporters
Eleven Penn Center, Suite 600
25 Philadelphia, PA 19103
(215) 561-2220

1 10/15/00 - WHOLE COMM. - BILLS 000583, 590

2 I N D E X

3
4 Page

5 Joyce Wilkerson. 5
6 Mayor's Chief of Staff

7 Charles McPherson. 7
8 Chief Financial Officer

9 Thomas Erickson, Council Attorney. 12

10 Dan Hertzler 17
11 City Solicitor's Office

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

1 10/15/00 - WHOLE COMM. - BILLS 000583, 590

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

3 COUNCIL PRESIDENT VERNA: This is a
4 hearing of the Committee of the Whole concerning
5 Bill No.'s 583 and 580.

6 Are there any questions from members of
7 the committee? Do any Councilmembers have any
8 questions?

9 COUNCILMAN ORTIZ: As to what, Madam
10 Chair?

11 COUNCIL PRESIDENT VERNA: This is the
12 continued public hearing on PGW. Councilman, do
13 you have any questions?

14 COUNCILMAN ORTIZ: No questions.

15 COUNCIL PRESIDENT VERNA: Do we have
16 anyone to testify on these bills?

17 (No response.)

18 COUNCIL PRESIDENT VERNA: Seeing none,
19 we will now go into our public meeting.

20 - - -

21 COUNCIL PRESIDENT VERNA: And the Chair
22 recognizes Councilwoman Tasco.

23 COUNCILWOMAN TASCO: Yes, Madam Chair.

24 COUNCILMAN ORTIZ: We're voting on the
25 amended bill, correct?

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 COUNCIL PRESIDENT VERNA: The first
3 bill we will be considering is Bill 583, and that
4 was amended last week.

5 COUNCILWOMAN TASC0: Madam Chair, do we
6 have an amended version?

7 COUNCIL PRESIDENT VERNA: Yes.

8 COUNCILWOMAN TASC0: I don't believe we
9 have an amended copy.

10 COUNCILMAN KENNEY: I just have a
11 question relative to the two bills.

12 COUNCIL PRESIDENT VERNA: Yes.

13 COUNCILMAN KENNEY: Bill No. 583, as I
14 recall, was a bill that was amended at the request
15 of Councilmember Tasco regarding certain controls
16 and timetables for the loan of \$45 million. Bill
17 No. 590, could either the Chair or a member of the
18 Chair's staff explain what 590 does, as a
19 refresher? Is it in -- is this a companion
20 required bill for 583, as amended, or is this some
21 something distinct? I apologize, I just don't
22 remember.

23 COUNCIL PRESIDENT VERNA: This was an
24 Administration. Miss Wilkerson?

25 (Witness comes forward.)

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 COUNCIL PRESIDENT Verna: It's a
3 transfer.

4 MS. WILKERSON: My name is Joyce
5 Wilkerson, Chief of Staff for the Mayor.

6 That was the emergency appropriation
7 bill that would provide the funding for the loan
8 to PGW.

9 COUNCILMAN KENNEY: Now, if Bill No.
10 590 passes, is it passed under the jurisdiction,
11 or in accordance with Bill No. 583 as amended?

12 MS. WILKERSON: Yes.

13 COUNCILMAN KENNEY: Or is it -- so the
14 \$45 million authorized in 590 would be controlled
15 through 583, as amended?

16 MS. WILKERSON: Right.

17 COUNCILMAN KENNEY: Okay, thank you.

18 COUNCILMAN ORTIZ: Madam Chair?

19 COUNCIL PRESIDENT Verna: Yes.

20 COUNCILMAN ORTIZ: All that 590 does,
21 then, is just increase our appropriating power,
22 right?

23 COUNCIL PRESIDENT Verna: That's right.

24 COUNCILMAN ORTIZ: Okay.

25 COUNCIL PRESIDENT Verna: Any other

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 questions?

3 (No further questions.)

4 COUNCIL PRESIDENT VERNA: Seeing none,
5 this will conclude our public hearing. We will
6 now go into the -- Joyce, do we have amended
7 copies?

8 COUNCILMAN NUTTER: We don't have the
9 amended version on our desk.

10 COUNCILMAN ORTIZ: I want to make sure
11 we're voting on the amended version.

12 COUNCIL PRESIDENT VERNA: Councilwoman
13 Tasco?

14 COUNCILWOMAN TASCO: Madam Chair, I --

15 COUNCILMAN COHEN: Point of order,
16 Madam President.

17 COUNCIL PRESIDENT VERNA: Yes, sir?

18 COUNCILMAN COHEN: Do we have a copy of
19 Bill 590, the appropriation bill?

20 MS. WILKERSON: It's attached to it.

21 COUNCILMAN COHEN: Oh, it's attached to
22 it. Okay, very good.

23 Madam President, this is just a
24 question. I see the amendment to 583, but I'm
25 looking at 590 and I don't see any amendment that

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 was similar to the amendment of 583.

3 COUNCIL PRESIDENT VERNA: There were no
4 amendments to Bill No. 590.

5 COUNCILMAN ORTIZ: 590 is just the
6 appropriations part.

7 MR. MCPHERSON: 590 was not amended.

8 COUNCIL PRESIDENT VERNA: There were no
9 amendments offered to the bill.

10 COUNCILMAN COHEN: Well, a question.
11 I'm being told that 590 increases the
12 appropriating power by \$45 million. My
13 understanding is, it not only increases an
14 appropriating power but makes the appropriation.
15 Isn't that the bill that makes the appropriation?

16 COUNCIL PRESIDENT VERNA: Yes.

17 COUNCILMAN COHEN: And my understanding
18 of appropriations is that once we make the
19 appropriation that that money is then available to
20 the Administration to deal with it, without any
21 further reference to anything other than the fact
22 that they've been authorized to spend \$45 million
23 extra.

24 If anybody else has a different
25 version, I would like to hear it. We're just

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 talking technically now about the bill. I don't
3 understand -- in -- when we did the --

4 COUNCIL PRESIDENT VERNA: I think Mr.
5 McPherson is ready to respond to your inquiry,
6 please.

7 COUNCILMAN COHEN: Yes, okay.

8 MR. MCPHERSON: What Bill 590 does is
9 -- and Tom Erickson is here -- is, based on
10 Section 2-301 a. of the Philadelphia Home Rule
11 Charter, which talks about emergency
12 appropriations, the Administration is identifying
13 this as an emergency, and is, therefore,
14 increasing the total appropriations to the General
15 Fund for Fiscal 2001 as an emergency.

16 So there's only a "to" side to the
17 ordinance; there is no "from."

18 COUNCILMAN COHEN: I must have missed
19 two sentences in that last paragraph. I heard
20 everything until the very last "and."

21 MR. MCPHERSON: Therefore, there is
22 only a "to" section from the ordinance, not a
23 "from." So this ordinance, under the emergency
24 powers of the Home Rule Charter, increases the
25 General Fund appropriation from \$2,830,455,918.00

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 to \$2,875,455,918.00, for an increase of
3 \$45 million.

4 COUNCILMAN COHEN: And, therefore, I
5 conclude that it means that that additional
6 \$45 million is available to the Administration.

7 MR. MCPHERSON: I'm sorry. Could you
8 repeat that?

9 COUNCILMAN COHEN: Yes. And following
10 your statement, I draw the conclusion that as a
11 result of increasing the emergency appropriation
12 by \$45 million, that 45 million, that total
13 amount, would now be available to the
14 Administration to deal with in the same fashion
15 they deal with any other appropriation. Is that
16 not right?

17 MR. MCPHERSON: Well, I mean, Bill No.
18 583 then gives the Administration the authority to
19 pay over to PGW \$45 million.

20 COUNCILMAN COHEN: Well, it does not do
21 that.

22 MR. MCPHERSON: Bill 583 does --

23 COUNCILMAN COHEN: Bill 583, as
24 amended, gives the authority only with respect to
25 \$25 million.

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 MR. MCPHERSON: No, the --

3 COUNCILMAN COHEN: Before the final
4 20 million, there are other steps that have to
5 take place.

6 MR. MCPHERSON: Correct.

7 COUNCILMAN COHEN: At least that's my
8 understanding.

9 MR. MCPHERSON: But, again, you need to
10 have the appropriation power in place for the
11 total payment. And before the Finance Director
12 can authorize the payment of the -- I want to call
13 it the second \$20 million. The first 25 can go
14 immediately, the additional \$20 million cannot be
15 paid over until certain conditions are met and are
16 approved by the Gas Commission and City Council.
17 And it can also be paid, I think, under the
18 ordinance, without a resolution by City Council
19 specifically approving that payment.

20 But what Bill 590 does is put the full
21 45 million of appropriation power in place so that
22 in the event that when the Administration comes
23 forward with the five-year plan and that gets
24 approved, that the Administration then has the
25 ability to pay that over, once Council approves

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 it.

3 COUNCILMAN COHEN: It's always been my
4 understanding -- and maybe I've been wrong for the
5 last 30-odd, but it's always been my understanding
6 that once this Council votes an appropriation,
7 that there is nothing that can bind the Mayor in
8 the expenditure of that appropriation unless the
9 restrictive clause is a part of the appropriation.
10 .

11 MR. MCPHERSON: Actually, I don't even
12 think a restrictive clause on the appropriation
13 would do it. The restrictive clause in the
14 amendment to the PFMC agreement is what would
15 prohibit the Administration from paying the second
16 \$20 million over to PGW.

17 COUNCILMAN COHEN: What's to stop the
18 Mayor from saying this money has been appropriated
19 by City Council, and I have the right as the Mayor
20 to expand that appropriation?

21 MR. MCPHERSON: He would not have the
22 ability without Council approval under the PFMC
23 agreement to loan money to PGW.

24 COUNCILMAN COHEN: Well, suppose he
25 violates that agreement? What is our relief?

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 Suppose he just moves to strike that and moves on
3 the basis of his appropriating power? I'm talking
4 legally now of his legal ability to spend money --

5 MR. MCPHERSON: On the legal --

6 COUNCILMAN COHEN: He cannot spend an
7 appropriation if we don't authorize it. But once
8 we authorize it, I am very concerned that we have
9 lost control of it.

10 MR. ERICKSON: Councilman, there can be
11 no loan without specific authority from City
12 Council. Bill No. 583 grants that specific
13 authority under certain terms and conditions. One
14 of those conditions is that before you can spend
15 the second \$20 million that is authorized in Bill
16 583, he must come back to City Council. If he
17 doesn't, he's in violation of the agreement, he's
18 in violation of the ordinance, we can seek an
19 injunction to prohibit him from spending that
20 money at such time if he would do such a thing,
21 which I do not think he would do.

22 COUNCILMAN COHEN: Do we have an
23 interpretation from the City Solicitor's Office
24 that supports that?

25 MR. ERICKSON: Well, I can give you my

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 20 years of experience in the City Solicitor's
3 Office.

4 COUNCILMAN COHEN: I understand that.

5 MR. ERICKSON: But I can't speak for
6 the City Solicitor, that would be my opinion.

7 COUNCILMAN COHEN: I know it's your
8 opinion, but I'm not sure it's the Mayor's
9 opinion, but if the City Solicitor's Office writes
10 such an opinion, I will be prepared to accept it,
11 but I can't -- why hasn't the City Solicitor
12 furnished us with that kind of opinion? Can't we
13 get it?

14 COUNCIL PRESIDENT VERNA: Because he
15 hasn't been asked.

16 MR. ERICKSON: He hasn't been asked. I
17 mean, this is the first time we heard that there
18 might be a problem with this issue, seeing that we
19 didn't even realize it was an issue until about
20 ten minutes ago.

21 COUNCILMAN ORTIZ: Point of order,
22 Madam Chair.

23 Because the title of 590 specifically
24 says that we're appropriating and we're raising
25 the appropriating level specifically to meet the

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 need and the cash flow crisis of the Philadelphia
3 Gas Works. It doesn't -- that title -- that title
4 clause and the beginning of the ordinance doesn't
5 specify and does not put into place any, any
6 restriction in terms of how this \$45 million is
7 going to be spent.

8 So the argument can be made that 590
9 actually supersedes 583, and since there was no
10 limitation and no restrictions on the \$45 million
11 of appropriating power that is being passed by the
12 City Council, and I think it's a technical
13 situation, and I think we should have it clarified
14 before we go forward.

15 COUNCILMAN KENNEY: I have one other
16 question along the same line.

17 Madam Chair, while Mr. Erickson's
18 determining the questions asked by Councilmembers
19 Cohen and Ortiz, I would also like to add a
20 request that he give an opinion as to whether or
21 not the Administration can spend the \$20 million
22 on anything else other than the PGW loan. For
23 example, if he is bound by not giving the second
24 20 million unless there's a five-year plan, can he
25 use the 20 million for anything else once it's

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 been appropriated, outside of PGW's needs?

3 Shall I repeat the question for
4 Mr. Erickson?

5 COUNCIL PRESIDENT VERNA: Yes. There
6 was a conversation going on.

7 COUNCILMAN KENNEY: The question,
8 Mr. Erickson, is, when you're determining
9 Councilman Cohen's question or Councilman Ortiz's
10 question, if the appropriation of \$45 million is
11 made with the restrictions in Councilmember
12 Tasco's amendments, it's restricting the second 20
13 million to a time after the five year plan is
14 accepted and voted on by Council, can that
15 \$20 million be used for anything else of capital
16 need -- I'm sorry, any other governmental need
17 other than PGW since it's been already
18 appropriated?

19 MR. ERICKSON: Yes.

20 COUNCILMAN KENNEY: It can?

21 MR. ERICKSON: Yes. We don't condition
22 appropriations. It's subject to the Mayor's line
23 item and recommendation.

24 COUNCILMAN KENNEY: Well, we're
25 semi-conditioning this one, are we not?

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 MR. ERICKSON: We're not conditioning
3 the appropriation.

4 COUNCILMAN KENNEY: We're conditioning
5 the --

6 MR. ERICKSON: The grant of the
7 authority to make the loan.

8 COUNCILMAN KENNEY: All right. So that
9 money could be used for any other purpose that the
10 Administration determines.

11 MR. ERICKSON: Yes, but if they did
12 that, then it wouldn't be available for the loan.

13 COUNCILMAN KENNEY: Okay. I just
14 wanted to -- we're getting technical here, so I
15 just want to get, you know, I just want to get
16 everything covered.

17 COUNCILMAN COHEN: Point of order. Did
18 I hear that right? Or it can be used for any
19 purposes? Is that what Mr. Erickson --
20 (inaudible, off-mic.).

21 COUNCIL PRESIDENT Verna: Do we have
22 anyone from the City Solicitor's Office in the
23 room?

24 UNIDENTIFIED PERSON: Yes, I'm here.

25 COUNCIL PRESIDENT Verna: Please

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 approach the table.

3 (Witness comes forward.)

4 COUNCIL PRESIDENT VERNA: I think you
5 heard the concerns expressed regarding Bill 590.
6 Can we have your legal opinion on that?

7 MR. HERTZLER: I'm Dan Hertzler, I'm
8 the corporate chair. I'd appreciate it if you
9 could clarify or repeat the questions.

10 COUNCIL PRESIDENT VERNA: Councilman
11 Cohen, do you want to repeat your question,
12 please.

13 COUNCILMAN COHEN: Yes.

14 COUNCIL PRESIDENT VERNA: So I do not
15 misinterpret what you're saying.

16 COUNCILMAN COHEN: It seems to me that
17 if we enact Bill 590, increasing the appropriating
18 power and, therefore, the funds available for
19 expenditure by the Administration by \$45 million,
20 that the Mayor technically and legally will have
21 lieutenant have the right to spend that
22 \$45 million without respect to the restrictions we
23 placed in Bill 583.

24 I further now understand something that
25 I -- I -- was incomprehensible to me, that even

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 though we increase this emergency appropriation
3 specifically for the purpose of making this loan
4 to the Gas Works, if for any reason that loan is
5 not paid, this \$45 million becomes totally
6 available to the Mayor for any Administration
7 purpose that the Mayor chooses.

8 Now, that's not what our hearings have
9 been about, and it's not what I think, speaking
10 for myself, I'm prepared to go along with. I
11 thought this request was being made only for the
12 Gas Works. And so I would want assurance from the
13 City Solicitor's Office that the money can only be
14 spent for that emergency purpose that it's being
15 authorized. And not intent, or we expect, or we
16 hope that the Mayor will do; so I'm talking of
17 legal binding determinations.

18 COUNCILMAN GOODE: Excuse me, Madam
19 President, point of order.

20 COUNCILWOMAN VERNA: Yes, sir.

21 COUNCILMAN GOODE: We just left a
22 public hearing and moved into a public meeting.
23 Was that public hearing on both bills?

24 COUNCIL PRESIDENT VERNA: Yes.

25 COUNCILMAN GOODE: Can we move back

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 into a public hearing?

3 COUNCIL PRESIDENT VERNA: I think we're
4 asking for clarification from the Law Department
5 regarding Bill 590.

6 COUNCILMAN GOODE: Can we move back
7 into a public hearing?

8 COUNCIL PRESIDENT VERNA: No, we're in
9 a public meeting and --

10 COUNCILMAN GOODE: But before we --

11 COUNCIL PRESIDENT VERNA: I believe the
12 Councilman was asking for clarification.

13 COUNCILMAN GOODE: But before we deal
14 with the issues of 590, since we're still in a
15 public meeting, I'd like to call for the question
16 on 583.

17 (Duly seconded.)

18 COUNCIL PRESIDENT VERNA: Okay, the
19 Chair recognizes Councilwoman Tasco regarding Bill
20 No. 583.

21 COUNCILWOMAN TASCO: We haven't made a
22 motion yet for the bill.

23 COUNCIL PRESIDENT VERNA: But we are in
24 the public meeting, and I had recognized you and I
25 think there was some questions question about the

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 amendments being circulated, the amendments have
3 been circulated.

4 COUNCILWOMAN TASCO: That's where we
5 were, in the discussion about the amended copy of
6 583. And I did not call for a vote on the bill
7 yet, so there is no motion on the floor.

8 COUNCILMAN GOODE: We were discussing
9 583 and I called for the question.

10 COUNCILWOMAN TASCO: We haven't called
11 for a motion.

12 COUNCIL PRESIDENT VERNA: I have called
13 upon Councilwoman Tasco for -- regarding Bill No.
14 583. And her question was that the amended copies
15 were not circulated and she was interrupted before
16 she was able to make her motion.

17 COUNCILMAN GOODE: Then we began
18 discussion on 590.

19 COUNCIL PRESIDENT VERNA: Yes.

20 COUNCILMAN GOODE: Which is why I'm
21 asking that we move back to 583 and the call for
22 the question.

23 COUNCILWOMAN TASCO: Because there is a
24 question on the companion --

25 COUNCIL PRESIDENT VERNA: There was no

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 question at the time.

3 COUNCILWOMAN TASC0: They are companion
4 bills and --

5 COUNCILMAN GOODE: That's why I called
6 for the question.

7 COUNCILWOMAN TASC0: They are companion
8 bills, and the Councilmember has a question on the
9 companion bill.

10 COUNCILMAN GOODE: If they are
11 companion bills, a companion bill is -- my
12 understanding is that we will entertain them
13 separately. We were entertaining 583. Someone
14 raised a question about 590. Therefore, rather
15 than interrupt the discussion on 583, I'm calling
16 for the question on 583, rather than move into a
17 discussion on 590, rather than move back into a
18 public hearing on 590.

19 COUNCILWOMAN TASC0: I think that we
20 have not asked for -- I did not call for a vote on
21 583 yet. I think all of the Councilmembers the
22 respect for their consideration of questions on a
23 companion bill.

24 COUNCILMAN GOODE: If it's the call of
25 the Chair that this is a companion bill and it

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 can't be voted on separately, that's fine.

3 COUNCIL PRESIDENT Verna: There's no
4 motion on the floor.

5 COUNCILWOMAN TascO: I don't have a
6 motion on the floor yet.

7 COUNCILMAN Goode: I called for the
8 question.

9 COUNCILMAN Ortiz: Point of
10 clarification, Madam Chair.

11 I think what we have here is, in my
12 mind, and I'd like someone to clarify it for me if
13 I'm wrong, is that I think there is an agreement
14 among the majority of Council to be able to vote
15 on a loan to the City and to PGW based on the
16 conditions that Councilwoman Marian Tasco has
17 proposed. The issue then becomes, does 583 become
18 moot, based on the way that 590 has been drafted?

19 And so I think the question of whether
20 -- because I would have no problem voting on -- I
21 gave my conversation with Councilwoman Tasco to
22 vote 83 accordingly to the way it has been
23 written. The key situation is whether 590 just
24 gives the appropriating power and the power to
25 then give that money forward to the Gas Works to

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 the Mayor without adhering to the clauses that
3 were put forward by the amendment of Councilwoman
4 Tasco.

5 And a clarification before -- has to be
6 given because, otherwise, I would change my vote
7 and I would vote no if those -- if those
8 limitations are not put into place and secured.

9 COUNCILWOMAN TASCO: Madam President,
10 I think to my colleagues, it's very important if
11 the intent here is to vote in a positive manner on
12 583 and 590, I think we ought to give the
13 Councilmembers an opportunity to be clear on what
14 they're voting for, so that there is no confusion.
15 And that when we vote the bills out, that they
16 would come out the way we would like them to come
17 out.

18 So I would like to have the opportunity
19 for us to clarify all questions around either of
20 the bills so that we are clear on what we're
21 doing.

22 COUNCIL PRESIDENT Verna: That and good
23 conscience.

24 Okay, Councilman Cohen, again, you were
25 able to --

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 COUNCILMAN COHEN: To me, it's a very
3 important question.

4 COUNCIL PRESIDENT VERNA: Ask your
5 question of the City Solicitor, please, since he's
6 here waiting to respond to your question.

7 COUNCILMAN COHEN: Okay.

8 MR. HERTZLER: I believe that
9 Mr. Erickson is correct that as long as the money
10 is spent within the particular category for which
11 it's been appropriated, that theoretically, that
12 could happen.

13 If you wanted more ironclad assurances,
14 you would create a separate budget category and it
15 would say something along the lines of advances to
16 the Philadelphia Gas Works in anticipation of
17 revenues authorized by or pursuant to Bill 583 or
18 similar ordinances. In other words, you can make
19 it more specific if you want to.

20 I think everyone does understand that
21 this is the purpose of that, and I think there
22 would be some breach of trust were it to be used
23 otherwise, especially because this is an emergency
24 appropriation for this particular purpose.

25 However, it is possible to amend to get

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 more specific language, if that's what you want to
3 do. It's up to the Councilman.

4 COUNCILMAN COHEN: Madam President, I
5 think it's particularly important to note that the
6 Mayor sought approval from City Council for an
7 additional \$20 million. I think it was for the
8 schools at the time, several months ago. Council
9 kept interrogating the Mayor's representatives,
10 where was this \$20 million coming from? Well, I
11 went to make sure that this \$20 million does not
12 come from this appropriation. We never gotten
13 answer from the Mayor, and we stopped asking about
14 it.

15 Now, I think the Council is entitled to
16 get assurances to the greatest extent possible
17 along the line that the City Solicitor's just
18 suggested. We ought to make the restriction
19 because that's what we're considering, a specific
20 loan under emergency conditions for Philadelphia
21 Gas Works. And I think the Council and the
22 taxpayers and the City of Philadelphia are
23 entitled to assurance that that money will be
24 spent only for that purpose.

25 COUNCILWOMAN TASC0: Point of order,

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 Madam President.

3 COUNCIL PRESIDENT Verna: Yes, the
4 Chair recognizes Councilwoman Tasco.

5 COUNCILWOMAN TASC0: Councilman Cohen,
6 I had talked to the President about offering an
7 amendment to 590. And if I offer it, maybe that
8 could give you some level of comfort on the bill.

9 COUNCILMAN COHEN: (Nods.)

10 COUNCILWOMAN TASC0: Page 2, Section 2,
11 where it says, "This ordinance shall take effect
12 immediately," I placed "in accordance with
13 provisions of Section 2 in Bill 000583, as
14 amended."

15 COUNCIL PRESIDENT Verna: Excuse me,
16 Councilwoman.

17 COUNCILWOMAN TASC0: I'm talking to
18 the. . .

19 COUNCIL PRESIDENT Verna: Councilman
20 Cohen? Councilman Cohen?

21 (Council President Verna and Councilman
22 Cohen confer off record.)

23 COUNCIL PRESIDENT Verna: Councilwoman
24 Tasco.

25 COUNCILWOMAN TASC0: Madam Chair --

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 Madam President, I'd like to offer an amendment to
3 Bill 590. But I haven't circulated it. Do I have
4 to circulate it? It's very short.

5 COUNCIL PRESIDENT Verna: If it's very
6 short, the stenographer, I'm sure would. . . I'm
7 sure that we could all write it down.

8 The Councilwoman is going to offering
9 an amendment to Bill 590, if you want to jot it
10 down, because it isn't typed up.

11 Councilwoman?

12 COUNCILWOMAN TASC0: We'd like to amend
13 Bill 000590, Section 2, which states, "This
14 ordinance shall take effect immediately, in
15 accordance with provisions of Section 2 in Bill
16 000583, as amended."

17 COUNCIL PRESIDENT Verna: Does anyone
18 have any questions on the amendment?

19 (No questions.)

20 COUNCIL PRESIDENT Verna: No one has a
21 question on the amendment?

22 (No questions.)

23 COUNCIL PRESIDENT Verna: Thank you.

24 MR. HERTZLER: Thank you.

25 COUNCIL PRESIDENT Verna: Councilwoman

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 Tasco, do you want to move for the adoption of the
3 amendment?

4 COUNCILWOMAN TASCO: Madam President, I
5 move for the adoption of the amendment.

6 COUNCILMAN ORTIZ: To 590?

7 COUNCILWOMAN TASCO: The amendment to
8 590.

9 (Duly seconded.)

10 COUNCIL PRESIDENT Verna: It has been
11 moved and seconded that the amendment to Bill No.
12 590 be approved, as read by Councilwoman Tasco.

13 All those in favor will signify by
14 saying aye.

15 Those opposed, nay?

16 COUNCILMAN GOODE: Nay.

17 COUNCIL PRESIDENT Verna: Did I hear a
18 nay?

19 COUNCILMAN GOODE: Nay..

20 COUNCIL PRESIDENT Verna: Okay, the
21 record will reflect that Councilman Goode has
22 voted nay on the adoption of the amendment. All
23 other Councilmembers have voted aye.

24 The Chair now recognizes Councilwoman
25 Tasco regarding Bill No. 583.

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 COUNCILWOMAN TASC0: Thank you, Madam
3 President. Madam President, I move that Bill
4 000583, as amended, be reported out of committee
5 with a favorable recommendation.

6 (Duly seconded.)

7 COUNCIL PRESIDENT VERNA: And with a
8 suspension of the rules?

9 COUNCILWOMAN TASC0: With a suspension
10 of the rules, as amended. The amendments are here
11 but they won't be incorporated with the bill.

12 COUNCIL PRESIDENT VERNA: Do I a hear a
13 second?

14 (Duly seconded.)

15 COUNCIL PRESIDENT VERNA: It has been
16 moved and properly seconded that Bill No. 583 be
17 reported out of committee, as amended, with a
18 favorable recommendation, and also a
19 recommendation that the rules of Council be
20 suspended so as to permit first reading at our
21 next session of Council.

22 All those in favor will signify by
23 saying aye.

24 Those opposed?

25 COUNCILMAN KENNEY: No.

1 10/15/00 - WHOLE COMM. PUBLIC MEETING

2 COUNCIL PRESIDENT Verna: The record
3 will reflect Councilman Kenney voted no. All
4 other members have voted aye.

5 The Chair recognizes Councilwoman Tasco
6 regarding Bill No. 590.

7 COUNCILWOMAN TESCO: Madam President, I
8 move that Bill No. 0000590, as amended, by
9 reported out of committee with a favorable
10 recommendation and with a request for a suspension
11 of the rules.

12 (Duly seconded.)

13 COUNCIL PRESIDENT Verna: It has been
14 moved and properly seconded that Bill No. 590 be
15 reported out of committee with a favorable
16 recommendation, as amended, and also a
17 recommendation that the rules of Council be
18 suspended so as to permit first reading at our
19 next session of Council.

20 All those in favor will signify by
21 saying aye.

22 Those opposed?

23 COUNCILMAN KENNEY: No.

24 COUNCIL PRESIDENT Verna: The record
25 will reflect that Councilman Kenney has voted no

1 10/15/00 - WHOLE COMM. PUBLIC MEETING
2 on Bill No. 590. All other Councilmembers have
3 voted aye.

4 This concludes the public meeting. I
5 thank you all for your attention and patience.

6 (Adjourned at 3:55 p.m.)

7 - - -

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

C E R T I F I C A T E

I HEREBY CERTIFY that the foregoing
proceedings of the Council of the City of
Philadelphia of Tuesday, October 17 2000, were
reported fully and accurately by me, and that this
is a correct transcript of same.

RE: COUNCIL COMMITTEE OF THE WHOLE
BILL NO.'S 000583, 000590

_____,
JOSEPHINE CARDILLO,
Registered Professional Reporter