COUNCIL OF THE CITY OF PHILADELPHIA
CAPITAL PROGRAM & BUDGET HEARINGS
BEFORE THE COMMITTEE OF THE WHOLE

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Room 400, City Hall
Philadelphia, Pennsylvania
Tuesday, February 9, 1999
9:30 a.m.

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Bill 990021 - An ordinance to adopt a Capital Program for the six fiscal years 2000-2005 inclusive.

Bill 990022 - An ordinance to adopt a Fiscal 2000 Capital Budget

PRESENT: COUNCIL PRESIDENT ANNA C. VERNA, Chair
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Chief Financial Officer

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2/9/99 WHOLE COMM. - Budget Hearings

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2/9/99 WHOLE COMM. - Budget Hearings

P R O C E E D I N G S

COUNCIL PRESIDENT VERNA: Good morning everyone. Sorry for the delay. The Committee of the Whole public hearings are ready to begin on Bill No.'s 990021, 9900022, 99023, 990024, 990025, 990026, 990027, and 990028. I would ask Mr. McPherson to please read the titles of the bills. We'll take testimony today on Bill No. 990021 and 990022.

MR. MCPHERSON: Bill No. 990021, an ordinance to adopt a Capital Program for the six fiscal years 2000-2005 inclusive.

Bill No. 990022, an ordinance to adopt a Fiscal 2000 Capital Budget.

Bill No. 990023, an ordinance adopting the Operating Budget for the Fiscal Year 2000.

Bill No. 990024, an ordinance amending Chapter 19-2600 of The Philadelphia Code, entitled "Business Privilege taxes," by decreasing the rates of the tax based upon gross receipts.

Bill No. 990025, an ordinance amending Chapter 19-1500 of the Philadelphia Code, entitled "Wage and Net Profits Tax," by decreasing the rates of the tax.

Bill No. 990026, an ordinance amending Chapter 19-1800 of The Philadelphia Code, entitled "School Tax Authorization," by amending Section 19-1801 to further authorize the Board of Education of the School District of Philadelphia to impose a tax on real estate within the City of Philadelphia.

Bill No. 990027, an ordinance amending Chapter 19-1800 of The Philadelphia Code, entitled "School Tax Authorization," by amending Section 19-1806 to further authorize the Board of Education of the School District of Philadelphia to impose a tax on the use or occupancy real estate within the School District of Philadelphia.

Bill No. 990028, an ordinance amending Chapter 19-1800 of the Philadelphia Code, entitled "School Tax Authorization," by amending Section 19-1804 to further authorize the Board of Education of the School District of Philadelphia to impose a tax on net income from real property and tangible and intangible personal property of residents of the School District of Philadelphia.

COUNCIL PRESIDENT VERNA: Thank you. I would also like the record to reflect that a quorum is present.

Good morning.

MR. KAPLAN: Good morning. And thank you, Madame President. This morning's panel is here to testify on the FY 2000 Capital Budget Proposal and the Proposed FY 2000-2005 Capital Program.

I'm Dean Kaplan, the City's Budget Director. With me, to my immediate left is Emily Bittenbender, the Director of the Capital Program Office. To her left is Barbara Kaplan, the Executive Director of the City Planning Commission. And to her left is Ernie Leonardo, Chief of the Comprehensive Planning Division within City Planning.

As is our tradition, City Planning will make the initial presentation today, and then Capital Program will follow with some additional detail. With that, I turn it over to Barbara Kaplan.

(Councilman Cohen addresses Council President Verna off-mike.)

COUNCIL PRESIDENT VERNA: I'm sorry, Councilman, I can't hear you.

2/9/99 WHOLE COMM. - Budget Hearings

MR. KAPLAN: Written testimony was filed with Council on the normal schedule. I believe it should be available and hopefully here.

COUNCIL PRESIDENT VERNA: Extra copies are being distributed.

Councilman Kenney, would you approach the table.

(Councilman Kenney assumes the Chair.)

MS. KAPLAN: Good morning, Council President Verna and members of Council. I'm pleased to present to City Council the 2000-2005 Capital Program and the 2000 Capital Budget, as recommended by the City Planning Commission. And I'm also pleased to be able to show some of the progress we have made using capital funds and will continue to make toward the renewal of our physical plant.

This is a $3.7 billion Capital Program.

COUNCIL PRESIDENT VERNA: Miss Kaplan, I'm sorry, you haven't identified yourself for the record.

MS. KAPLAN: Barbara Kaplan, Executive Director of the Planning Commission. I thought

Dean had identified me; that's why I skipped it.

This is a $3.7 billion Capital Program that builds on the initiative that began at the beginning of this Administration of substantially increasing the rate of investment in the City's capital stock of buildings, streets, recreation centers, libraries, and the numerous other facilities which serve our citizens. There are 156 projects in the six-year program, and 129 of these are proposed for the budget year.

Our sustained fiscal health allows us to present a Fiscal 2000 Capital Budget that requires $125 million in new tax-supported loan funding and $49 million in reallocated funds previously borrowed through PICA. This investment is supplemented by self-sustaining federal, State, and other non-tax-supported funds, resulting in a total proposed budget spending of $845 million -- an increase of more than $100 million over last year's appropriation.

My testimony will focus on FY 2000 since the budget year funding represents an actual appropriation and is usually subject to minimal changes throughout the year. The projects and priorities for the next five years of the program will be revisited next year and each year thereafter and may be expected to change significantly.

(Ms. Kaplan begins to present slide show.)

MS. KAPLAN: The first category of projects is the neighborhood improvement projects. This is about 15 percent of the budget year funding. And we focus here on basic renewal of community facilities, such as streets, water facilities, recreation, fire, police, library, and health facilities.

This year, with the addition of the $49 million in reappropriated PICA funds, there's been a significant increase from $2.45 million to $7.5 million for site improvements in support of housing initiatives to be undertaken by both of the Office of Housing & Community Development and the Philadelphia Housing Authority.

This is the Richard Allen Holmes public housing development in the eastern part of the North Philadelphia. And this is kind of the before, and this is the under-construction. And actually having been out there myself, this slide really doesn't do it justice. This housing development is really going to look like any garden apartment development that you would see in a suburban community. You'll also notice a widened and newly-constructed street, and that's where the capital funds are used to support the federal dollars that we get for the housing rehabilitation.

This is one of a number of public housing developments that are going to be either totally rehabilitated -- as is the case here -- or demolition and a reconstruction, as is the case with Schuykill Falls and the Martin Luther King project and Southwark in South Philadelphia. So we're really remaking our stock of public housing, and we're using capital funds to replace the infrastructure for the next 50, 100 years.

We also use some of the site improvement money for other neighborhood housing developments. This one happens to be in North Philadelphia, at 17th and Susquehannah, where we put in new curbs, sidewalks, street light when we do intensive rehabilitation or new construction in a neighborhood.

And this one is in West Philadelphia, at 40th and Parrish.

We've been embarking on major renewal of our health centers, trying to make them more attractive, trying to make them more like private-sector doctor's offices. This is the health center for District 4, at 4400 Haverford Avenue. It's an example of what we've done to the outside on some of our health centers to make them handicap-accessible, to make them more attractive and welcoming to the public that uses them.

And this is an example of the interior at District 10 in the 2200 block of Cottman Avenue in the Northeast.

Also in the Northeast -- in fact, right next door to the health center -- is the regional library for the Northeast. And this has received major renovation under the library's Changing Lives Campaign, where they have run a tremendously successful capital campaign, and the City has provided $5 million a year for five years. In fact, this year 2000 program will be the end of this five-year program to restore all of the branch libraries.

This is in South Philadelphia, the Passyunk branch, in the 1900 block of Shunk Street. The outside. The inside. One of the main features of this branch library program has been a tremendous upgrading of the computer infrastructure in all the branch libraries, with a special focus on the children's reading areas and computer areas.

And this is the Southward branch in the 900 block of South Seventh Street, also the children's reading area.

We also have provided $11 million in the Recreation Department for the upgrading of neighborhood recreation facilities. This is at 11th and Mifflin, an example of new play equipment in a tot lot.

And we've also been working on renewing our swimming pools. We have more than 80 swimming pools under the jurisdiction of the Recreation Department. This is at 33rd and Diamond, at the Mander Rec Center. This is an example of a rehabilitated pool. A lot of our pools were built in the 1960s and '70's, and they need major rehabilitation.

This is the (unintelligible) fields along the Parkway, at 23rd and the Parkway, and we have money in there for restoring the fields for the surrounding sidewalk and landscape and for new play equipment. This is under the jurisdiction of Fairmount Park.

Also under the jurisdiction of the Park, the mouth of the Pennypack ball fields were completed in 1997. This is a beautiful and tremendously popular complex, but it has a fatal flaw, which is that --

(Laughter.)

MS. KAPLAN: This is the only toilet facility right now, and this field is used by hundreds of people, this area. And we have money in the program. Unfortunately, this is a very expensive project because we have to bring in the water AND sewer lines from State Road, and I think it's about a half a mile. So this is going to cost us about $900,000 to equip this area with bathrooms, mainly because of the cost of bringing in the lines to the area.

In economic development, 51 percent of

the budget year funding from all sources is being dedicated to this area. One of reasons that it is such a large percentage of the total is that we have a major program underway at the airport, about $347 million in the budget year alone.

We're going to be building three new passenger terminals: Terminal 1, to be used for international passengers; Terminal F, to provide more modern service for commuter aircraft; and Terminal G, which is for domestic flights. In addition, we're also expanding Terminals D and E, to provide additional gates.

We added 3,000 workers at the airport last year. As a result of this expansion, we've now gone from being the 24th busiest airport in the country to the 21st busiest airport, and we continue to find new markets.

In the area of tourism and hospitality, we're making some repairs to the Chinatown Gateway, which has been in place for about 15 years and needs some restoration.

This is an example at Fifth and Lehigh of some of our site improvements that go into neighborhood commercial strips. This year, we're pleased to have more than doubled the amount of money that we're allocating for neighborhood commercial strips. We have about $3.5 million, which is more than twice as much as we had last year.

This is in Germantown Avenue and Armat, which is another area where we will be making site improvements in a commercial area.

And this is in South Philadelphia -- East Passyunk Avenue, where there will also be streetscape improvements.

And South Street, west of Broad.

These are just a few examples. Some of these will be started with funds that we already have on hand from previous years, and others will use funding from what is newly allocated.

This is in North Philadelphia, at Sixth and Berks. This is the Gateway Shopping Center that is being developed by APM, the largest community development corporation in the City. And this also received site improvements money from our neighborhood commercial center line. This should be opening, I think, pretty soon, this spring.

2/9/99 WHOLE COMM. - Budget Hearings

And this is an example of some of the improvements at the airport, with the new express walkway. In addition to adding facilities, we will have also been improving the facilities we have, making them more attractive, more comfortable. We have the Marketplace Mall that opened in the past year and the express walkway.

Also down in the airport, this is another place that we've used money for site improvements through PIDC to provide the street infrastructure to make possible the expansion of the PNC facility in that vicinity.

And this is on American Street. This is an example of how we used some money from the Capital Program in combination with funding that we get from the State and the federal government for brown fields remediation. This was a site that was seriously contaminated. The funds were used for environmental remediation, and it's now a site for the relocation expansion of Asia Foods.

Infrastructure renewal is an area where we provide funding for those facilities that are used by everybody in the city. They're not necessarily in anybody's neighborhood, but nevertheless, they're important to everyone. We have money in there for the continued restoration of the Manyunk Canal.

This is at the upper end, what was called "Flat Rock Dam." Some of the money will be used to make this area safer and more accessible for all the people who want to go fishing here.

This is the view of the middle area, where you can see how the water is stagnant. One of the goals of this project is to get the water moving again so that we don't have a lot of algae and we don't have an unpleasant odor.

And this is at the lower independent of the canal.

The Art Museum. We've been involved in a major program to renew the landscape and the setting for the Art Museum. This is an example of the new access road that was developed with capital funds. And the first phase of the landscape project was -- this was part of the first phase of the landscape project, which was completed.

The second phase is in the budget for the current year, which is the rebuilding --

replacement really -- of Eakins Plaza at the front, which is a gathering place for a lot of events. And then there's money in the coming next two years of the program for later phases of the landscape renewal.

This is behind the Art Museum. This is the water works. This is about a $5 million project. Most of this is State money. This is the construction.

This is at the bottom of that same site, where we've put in an application for federal transportation enhancement money, which, hopefully, we'll be successful at receiving in order to put a boat dock here.

Also in Fairmount Park is the Ohio House, which is an example of one of the Park House mansions. People think about the park as essentially an outdoor experience, but the park is really the caretaker for dozens of historic structures that need a lot of care and renewal. We have over $1 million in the budget year in Fairmount Park for the restoration of historic structures located within the park.

At the Zoo, this was the Primate House

under construction, which is scheduled to open on July 1st. We're all looking forward to that.

And then we have a lot of other projects at the Zoo that are not so glamorous. This is in the Reptile House; this is sort of the front of the main show that everybody sees.

This is the back-of-the-house function, where we have the kind of basic infrastructure at the Zoo that needs constant upgrading. This is where we're going to replace a tank and the filtration system that provide the water for the Reptile House.

We also have another project at the Zoo that will pay for the demolition of the monorail and deteriorated cabling. The Zoo needs the space that was formerly occupied by the monorail in order to undertake other projects and to install a modern communications network and other pathway improvements. We have about $3 million overall in the program in the budget year for Zoo improvement projects.

A major part of our infrastructure renewal on a continuing basis is the resurfacing of streets. We have $17.5 million in the budget year, which is a substantial increase over the 13 million we had previously for the continued renewal and resurfacing of neighborhood streets.

This is in addition to the money we have for the major arterials that are on the Federal Aid to Highway System, where they're eligible for federal and State funds and where the City's share of the cost is much smaller. These are the local streets where we pay the full cost of the restoration.

The Streets Department has been using some new methodology where they actually take up the existing pavement; and through a process involving heat and fire, are able to reuse that material and lay it back down. It seems to be a very cost-effective technique. It's referred to as "in-place resurfacing." There's also much less disruption to the traffic network.

Our bridges also need constant work. This is the Strawberry Mansion Bridge of the first phase which is underway. It's $5.5 million. Phase II will be another $3 million. This is the work in progress.

This is Chestnut Street, which, I think

we are all looking forward to see reconstructed and reconfigured. This is the sorry state of some of the paving material. The first phase will begin in early spring, and the whole thing should be completed by early summer of 2000 -- coincidentally, in time for the Republican Convention. This is a $15 million project.

This is the Frankford Transportation Center at Bridge and Pratt. This is the current condition of the outside, of the inside. And this is the future. This, I think, will be a truly monumental transportation improvement -- not only for the SEPTA network and for the people who use it, but I think it's going to make a major statement and be a major boost to economic development in this area of the city, in the Frankford area. This is going to get started in the current year.

This is the Erie Torresdale Station, which has just been finished for $13 million.

And this is the Manayunk Station, which is just about complete. This was a major project involving not only the station but also the Crescent Street viaduct and the bridge over the

Schuylkill River. This was a $10 million project altogether.

On the PATCO line, the DRPA is refurbishing the station. This is an example of the 12th and Locust station. The City is paying for the areas that are owned and maintained by the City, which is the area outside of the turnstile. And we have about $1,300,000 in the budget year for this -- about 600,000 of which is City money; the rest is federal money.

There's also a major project that SEPTA's undertaking to redo the viaduct -- to rehabilitate the viaduct and the bridges that lead from Suburban Station out to 30th Street. This will be a $42 million over the next few years.

In the area of improving government effectiveness, a lot of this are projects that take advantage of modern technology and new techniques to make government more effective and more efficient.

This is the Wister School at Eighth and Poplar, which was vacated by the School District -- oh, I think at least 15 years ago. And this is going to be redeveloped for forensic labs and offices of the Scientific Services Division of the Police Department. This is an $8.6 million project to be funded in the budget year.

This is the Geographic Information System. We have funding here both in the Mayor's Office of Information Services and in the Records Department, and there's also funding in the Streets Department as we continue to develop this geographic information network so that it's available and accessible to more and more City departments.

In the area of health and safety will be about $7 million in the budget year. We're including basic funding for improvements to the City's elderly care facilities at Riverview and the Philadelphia Nursing Home and the City's homeless family shelters. We also provide money here for underground tank removal and replacement for hazardous material abatement and for handicapped accessibility.

And we also have one kind of special project that we've been looking forward to for a long time, which is, we've allocated $1 million to replace one of the City's fire boats. This one is

50 years old. And this is kind of a custom -- you can't just go out and buy one of these; this is a custom-designed effort.

I tried to give you some of the highlights of the budget. I'll be available, as will members and heads of other City departments to respond to more detailed questions.

I would just like to say in conclusion that the Planning Commission believes that this recommended program and budget will allow us to continue on the course that we laid out at the beginning of this Administration to revitalize the City's neighborhoods and its economic base by continuing to renew our physical plant. This Capital Program provides for a high level of investment in Philadelphia's future; and at the same time, strategically allocates our limited resources so as to ensure the City's capacity to effectively and efficiently deliver needed public services.

Thank you.

COUNCILMAN KENNEY: Thank you very much for your testimony. At this, we'd ask Miss Bittenbender to give her testimony and then open up the floor for questions.

(Emily Bittenbender comes forward.)

COUNCILMAN KENNEY: Please proceed.

MS. BITTENBENDER: Good morning President Verna and members of City Council -- or Councilman Kenney, I should say.

My name is Emily Bittenbender, and I'm the Director of the Capital Program Office for the City of Philadelphia. And I'm here today to present our request for our Operating and Capital Budgets for Fiscal Year 2000.

The request includes an appropriation of $2,450,345 in the Operating Budget, with an additional request of $6,146,000 in the Capital Budgets. The ongoing operations of the Capital Program Office are supported by both budgets because accounting rules only permit certain types of costs to be charged as capital.

The proposed Fiscal Year 2000 operating budget represents an increase of $40,710 to cover negotiated civil-service wage increases, and includes dollars to support 21 positions, and about 2.3 million for the purchases of City services, including:

Design services to support the CPO's yearly general requirements contracts. These requirements contracts are used for the prepare and maintenance of City buildings;

Cost estimating services that support the yearly Capital Budget requests;

Space planning services to support the City's real estate consolidation efforts;

Employee development services;

Staff training, software, and maintenance required to support the PEGA System IT initiative for the enhancement of our budget and project management capabilities;

And $110,000 for materials, supplies, and equipment upgrades.

The proposed Fiscal Year 2000 Capital Budget represents a decrease of approximately $1.3 million -- attributable to a shift in funding for field tank compliance projects that are now contained in the Capital Budget of the Office of Fleet Management.

The CPO Fiscal Year 2000 requests includes dollars to support 79 positions, as well as the cost for consultants to provide technical assistance to our five project-management teams. These teams oversee all capital efforts, from budget development through construction, for public, safety, health and human services, criminal justice, Fairmount Park, as well as the Center City government buildings that are leased.

$250,000 for environmental remediation involving asbestos abatement.

$100,000 to continue the City's efforts to comply with the Americans with Disabilities Act.

By approving the appropriations that we are requesting today, City Council will assist the Capital Program Office in its mission to maximize the value of taxpayers capital investments in public facilities through careful budget planning, proper financial controls, and informed, timely, and cost-effective project management of design and construction.

Prior support of the Council and the Administration has afforded the CPO an opportunity to realize the ongoing achievement of the following goals:

The CPO has completed 300 construction

projects, equaling over $450 million since its creation in August 1996.

At the beginning of Fiscal Year 1998, there were 137 backlog projects funded prior to Fiscal Year 1997. To date, the CPO has completed 124 of these backlog projects and fully expects to complete the remaining 13 by the end of the Fiscal Year.

The Capital Project duration has been reduced from an average of 938 days in Fiscal Year '96, to the current Fiscal Year '99 average of 477 days. With continued support from this Council, the CPO could realize its ultimate goal of completing our capital projects within the fiscal year that they are funded.

The CPO is dedicated to keeping control of its yearly design costs, reducing the time it takes to conform professional services contracts. Prior studies indicate that the average conformance duration was 387 days. The CPO now averages 33 days to conform a contract. And by promptly paying our design consultants' invoices, we significantly reduced the fees of our professional design services on capital projects.

And a percentage of our construction costs design fees have been decreased from an average of 13 percent in Fiscal Year '97 to 10.4 percent in Fiscal Year '98 and to 8.9 in Fiscal Year '99.

The CPO has consistently maintained its commitment to the City's anti-discrimination policy by increasing the percentage of minority business participation on our professional services contracts -- from 17 percent in Fiscal Year '97 to 34 percent in Fiscal Year '98 to 39 percent in Fiscal Year '99.

In addition to its management of capital projects, the CPO also has the responsibility to manage the design and construction and employee relocation into consolidated leased office space. The CPO has successfully managed the movement of 3,467 employees into four leased facilities -- located at the One Parkway Building, the Land Title Building, 990 Spring Garden, and 1101 Market Street. In the two years since this effort began, the CPO has managed over 635,000 square feet of leased space consolidation projects. And this is on top of the capital projects.

The CPO has initiated the design of a new information technology system named "PEGA System" that will combine the project management and budget management functions of the Capital Program Office into a single integrated user-friendly computerized environment. PEGA System will allow for the improved operation efficiencies, enhanced tracking of work flow and process, timely and consistent reporting, and will ultimately permit the CPO to better manage the City's projects and funds.

In closing, I would like to state that the Capital Program Office has worked diligently to improve the process by which capital projects are accomplished in the City. We look forward to living up to the expectations of this Council in the next millennium.

Our Fiscal Year 2000 performance goals, which are attached for your information, clearly reflects the emphasis and the mission with which we have been entrusted.

Thank you, and I will be happy to answer any questions.

COUNCILMAN KENNEY: Thank you very much for your testimony.

As per the Council President's instructions, we will begin questioning of these witnesses on a five-minute interval. And the Chair recognizes Councilmember Nutter.

COUNCILMAN NUTTER: Thank you, Mr. Chairman.

Miss Kaplan, from reading through your testimony, I'd like to ask you a couple questions. In the first line, you say, "I am pleased to present to City Council the recommended 2000-2005 Capital Program and the 2000 Capital Budget."

Can you -- what's the -- in that context, what's the definition of "recommended"?

MS. KAPLAN: It's being recommended to the Mayor and to City Council by the Planning Commission.

COUNCILMAN NUTTER: Okay.

MS. KAPLAN: Actually, it's already been recommend to the Mayor, and the Mayor is sending it here.

COUNCILMAN NUTTER: Okay. And can you explain the process that the Planning Commission utilizes to develop this recommended program and budget?

MS. KAPLAN: Well, the process begins in the early fall. The Finance Department puts out a budget, calls all the departments, and asks them to submit their requested projects for the budget year and for the six-year program.

We review all of those requests at a staff level at the Planning Commission. We have a meeting with every sitting -- with every City department that has made a budget request. Typically, these meetings are about an hour in duration. And in addition, the meetings are run by the staff of the Planning Commission. I'm present at all of these meetings. I chair each of these meetings.

We also have Emily Bittenbender and her staff, members of her staff present at these meetings. And most of the time, we also have the Budget Director and people from his staff present at these meetings.

And that's an opportunity to review every single request that's made by every department, to ask a lot of questions about each request, to understand why they want the money, what they would do if they were given the money, how it relates to money that may have previously been appropriated for a similar type of project or a continuing project, how this fits into the overall picture for that department, sometimes how one department's projects relate to another department's projects in cases where that's relevant.

We always get substantially more in terms of requests than we do -- than we have borrowing capacity. But we attempt to try to come up with what we call "a balanced program," where we have -- there's a geographic balance, there's a balance among departments.

We try to meet the most critical needs. I mean, if roofs are falling in and heating systems are failing, those things certainly get addressed.

We're always, you know, mindful of the opportunity to leverage other funds. If we know that there are federal funds coming, as in the case with SEPTA, and we need a relatively small match to secure a very large amount of federal and

State funding for SEPTA projects, those projects do get priority. I mean, there are very few projects that SEPTA requests that get cut because I think leverage this year, in terms of City funding verses funding from State and federal sources is about 27 times the City money that goes in.

So those are some of the considerations that go into the staff. Then coming up with a program that we recommend to our Commission, and we usually discuss the program with the Commission at least three times during the course of -- the staff will discuss it with the Commission at a public meeting at least three times in the preparation of the budget.

And once we have --

COUNCILMAN NUTTER: Is there kind of a first-cut list made to determine if you have more demand than you have dollars to supply which projects are more than likely going to be in and which projects are going to be out?

MS. KAPLAN: Well, there's several cuts. I mean, you know, to try to get it down where we want it. We give the departments an opportunity to review what we initially think should be the cuts. We'll send that back to the departments in usually early December and give them a week or so to say, Look, this is the way we see your budget. You know, let us know if you can't live with that, you know. And we do, you know, kind of take appeals from the departments.

COUNCILMAN NUTTER: And where is the City Council in this part of the process at that point in time?

MS. KAPLAN: Well, the Budget Director meets with staff of City Council and sometimes with individual members of City Council to determine, you know, some of their projects and preferences.

There's also money allocated to City Council that each District Councilperson has an opportunity to allocate to individual projects. Mostly, those are -- for the most part, those go to projects in the Recreation Department, but some Councilpeople allocate those funds to other projects and other departments as well.

COUNCILMAN NUTTER: All right, okay. I know I just got the beep.

I'm trying to figure out where the two projects that I expressed the most interest in to the Department and to the Administration representatives, where they were in the book. Actually, they're not in the book, so I'm trying to figure out what happened to them, but I'll come back.

COUNCILMAN KENNEY: Thank you very much.

COUNCILMAN NUTTER: Thank you.

COUNCILMAN KENNEY: The Chair recognizes Councilmember Blackwell.

COUNCILWOMAN BLACKWELL: Thank you. I wanted to ask, you know, every year -- in fact, I ran into Audrey Johnson Thornton with regard to Belmont Mansion. I'm concerned about that. Every year we come, and every year they still seem to be threatened with trying to force them to move, etc. even though, in spite of their contract with the City as one of the Fairmount Park homes.

So I'm asking that also look into that and report back. And also the Paul Robeson House. That is one of the newer exciting buildings and homes in our city, and they've been trying to get on the register so that when people come to the City, they could --

MS. KAPLAN: I didn't hear the second one.

COUNCILWOMAN BLACKWELL: The Paul Robeson House.

MS. KAPLAN: Oh, okay.

COUNCILWOMAN BLACKWELL: And they're trying to get on the City's register as one of the historic sites that people come to visit. And also, they're still not -- they're newer, one of the newer historic homes, but they're still out of the loop. I mean, they do more bake sales and more sale sales and more begging sales than anybody I know.

We would absolutely like to have them mainstreamed into the City's historical sites and ask that you would in both areas look into those and get back to us.

Thank you.

COUNCILMAN KENNEY: Thank you very much.

The Chair recognizes Councilmember DiCicco.

2/9/99 WHOLE COMM. - Budget Hearings

COUNCILMAN DICICCO: Thank you, Mr. Chairman.

Good morning, Miss Kaplan. Miss Kaplan, good morning. Last year when you were here in front of Council, we had discussed some resources going into the Avenue of the Arts -- North Broad Street and South Broad Street. I think last year, it was something in the range of about $5 million for the North Broad Street streetscape improvements.

We never came to any -- I don't think we identified any dollar amount for the south of the Avenue of the Arts -- meaning from Washington Avenue, going south to Oregon or Patterson. But you had indicated at that time that that would be something that we would be looking into.

Is there anything in the budget this year for that streetscape improvement?

MS. KAPLAN: No, there isn't.

COUNCILMAN DICICCO: Is there any reason why? I mean, because we did discuss this last year. I think we looked at some -- what you originally said last year was that you were looking into maybe not a full streetscape improvement, but to identify certain high-traveled intersections -- Passyunk Avenue, Washington Avenue, Snyder Avenue.

MS. KAPLAN: It wasn't requested by any department in the budget process, so it was not included. It's possible that some of the money that's allocated for neighborhood commercial strips could potentially, you know, be devoted to that. But there wasn't a specific request to do that.

COUNCILMAN DICICCO: Again, I was under the impression from our conversation last year that even though we had not allocated a specific dollar amount to the streetscape improvement on South Broad Street, given the fact that we're investing about 5 million on the north side, on North Broad Street, that we would look into dedicating some funds.

I had a conversation not too long with Denise Goren. She's shaking her head yes.

What is the process now for us to see if we can get some money for that streetscape improvement? What do we need to do? When I say "we," I'm obviously talking about myself and

Councilwoman Verna, because Broad Street is the boundary between the two districts.

MS. KAPLAN: Well, funds could be reallocated from another project for that, or some of the money that you allocated from your District Council appropriations could go toward that.

COUNCILMAN DICICCO: Aside from my District Council programs, where else would I be able to get that money reallocated from?

COUNCILMAN NUTTER: Over here.

(Laughter.)

MS. KAPLAN: Well, I would say probably, you know, that some of the money from the neighborhood commercial strip line would probably be the best bet. It might be possible -- I don't know this without looking at it -- but, you know, I think Broad Street's eligible under the Federal Aid Highway List. Whether there's some money in the Streets Department under that line item, that could also go toward that; I'd have to discuss that -- well, we could discuss that with the Streets Department.

COUNCILMAN DICICCO: So there is no plan, though. 'Cause I was under the impression, again, when we spoke last year that the Planning Commission was looking into identifying particular intersections and coming up with some sort of a streetscape plan for those intersections at the very least. I mean, I had talked about additional lighting.

MS. KAPLAN: I guess there was a misunderstanding. I did not realize that that was something that you had expected the Planning Commission itself to take a look at. I thought that that would be something that either the Commerce Department or the Streets Department would do or would request.

COUNCILMAN DICICCO: Well, the Streets Department has come up with some budget at least on the additional street lighting, but as far as the other improvements -- whether it's planters, any other kind of more elaborate kind of streetscape improvement -- I was under the impression -- again, it might have been a miscommunication between you and I that that would have been something that would come out of the Planning Commission.

But that not being the case, I guess we

need to talk further on this.

MS. KAPLAN: Okay.

COUNCILMAN DICICCO: Okay, thank you.

COUNCILMAN KENNEY: Thank you very much.

The Chair recognizes Councilmember Tasco.

COUNCILWOMAN TASCO: Thank you very much. Good morning.

MS. KAPLAN: Good morning.

COUNCILWOMAN TASCO: Talking about street lights, some years ago, there was a plan developed to increase the lighting on all of the street lights. Is that plan still on the table? I mean, is it still ongoing?

MS. KAPLAN: Perhaps somebody should speak to that from the Streets Department because I'm not --

COUNCILWOMAN TASCO: Well, they can answer it later when they come up.

MS. KAPLAN: We did have money in the program to --

COUNCILWOMAN TASCO: It was supposed to be a ten-year program.

MS. KAPLAN: Well, we were going to redo a lot of the electric light fixtures because there was a safety hazard. I recall that, but I don't recall the program that you're referring to.

COUNCILWOMAN TASCO: Remember when Pete Hoskins was -- was he in Streets?

MS. KAPLAN: He was. That goes back a little.

COUNCILWOMAN TASCO: It was a ten-year program.

MS. KAPLAN: Perhaps the Streets Commissioner could refresh all our memories.

(Commissioner Lawrence Moy comes forward.)

COMMISSIONER MOY: This is Larry Moy, Streets Commissioner.

Councilwoman, we're in the final two years of that program. You have a good memory there. We are finishing up the group replacement program for street lights throughout the City.

COUNCILWOMAN TASCO: Well, could you tell us where the lights -- was that a citywide project or a targeted area?

COMMISSIONER MOY: It was a citywide

project. I believe the last areas are in the -- I think they're in the lower northeast, I'm not positive. I could let you know where the last areas are that we're trying to --

COUNCILWOMAN TASCO: Was that to change all of the lights on every street?

COMMISSIONER MOY: Actually, it's an upgrade -- yes, an upgrade of the lamping to a more efficient light system, and we're probably about 80 percent complete there.

COUNCILWOMAN TASCO: It's not.

COMMISSIONER MOY: It's about 80 percent complete throughout the City.

COUNCILWOMAN TASCO: Okay. Should we see a difference in the lighting? Are the streets brighter? I'm talking about the illumination.

COMMISSIONER MOY: Yeah. The luminaires are being changed, so it is a more efficient light, so you should see more light on the street. That does not mean, though, that you're going to see supplemental lighting if there are holes in the system -- if that's what you're asking. If there are missing street lights, that's not a part of that program.

COUNCILWOMAN TASCO: Okay. Well, there are streets where the lighting is not very good. And I'd like to know if you install a new fixture, would the lighting be better, or would you just have a safer fixture but the lighting is not -- the illumination is not any brighter?

COMMISSIONER MOY: The illumination is slightly better. If there's a missing street lamp, though, well, I mean that's a different situation. If there's a gap, this doesn't really cover that.

COUNCILWOMAN TASCO: Thank you.

COMMISSIONER MOY: Okay.

COUNCILWOMAN TASCO: Back to Miss Kaplan -- Mrs. Kaplan. I understand that there is a Brown Fields Task Force. Have you given any thought to looking at Logan as possibly a brown fields area to help with what we're trying to do over there to remediate the problems?

MS. KAPLAN: It hasn't -- it hasn't been looked at to this point, but we're in the process of getting information from the Army Corps of Engineers who have been undertaking a study of Logan in order to tell us, you know, what can be developed there. And, in fact, I did get just last Friday a preliminary report of their findings.

I think that's an excellent suggestion, that once we have that data from the Army Corps, that the Brown Fields Task Force ought to consider that site for possible funding. It doesn't appear that there's anything on that site that's that toxic.

But the preliminary conclusions indicate that we're going to have to remove four or five feet of soil from the entire site before we can develop anything because there's been so much construction debris that's been put back onto the site. So it seems to me that that definitely fits into the category that should be considered by this Brown Fields Task Force.

Of course, you know we have an additional problem in Logan, which is the subsidence problem, and I'm not so sure whether or not, you know, that's a different kind of an issue, but I think in terms of the removal of soil and the replacement of that soil with clean fill, which is going to be a precondition to any development, certainly that deserves some kind of consideration. You know, the task force ought to take a look at that. I think that that's an excellent suggestion.

COUNCILWOMAN TASCO: Okay. I --

COUNCILMAN KENNEY: Councilwoman, that's five minutes on the first round.

COUNCILWOMAN TASCO: Oh, I only had one other question, then I'm done.

COUNCILMAN KENNEY: Okay, thank you.

COUNCILWOMAN TASCO: Do you provide any technical assistance? I guess what assistance do you provide to a special services district? We're trying to work out a program with Cheltenham.

MS. KAPLAN: We have somebody on our staff that is familiar with the laws and the process for establishing a services district, and we certainly can, you know, have that person talk to the people and give them some advice, the people who are interested in establishing that district. We would be glad to do that.

We can't actually -- we don't have the staff to actually go out and do the organizing that would be required door to door to get people to participate, but we certainly can give some initial information about what it takes to do a district and that kind of thing.

COUNCILWOMAN TASCO: Okay, thank you.

COUNCILMAN KENNEY: Thank you very much.

The Chair recognizes Councilmember Krajewski.

COUNCILWOMAN KRAJEWSKI: Thank you. Miss Kaplan, do you have anything in the budget as far as the Police Academy or the 8th or the 15th District?

MS. KAPLAN: I believe there is -- let's see. . .

We have -- on Page 92, there's going to be a new modular building provided. This is actually -- this is not in the first year, it's in the second year of the budget for training facilities at the Police Academy. I think that's the only thing that's at the Police Academy.

And what was the other question?

COUNCILWOMAN KRAJEWSKI: The 15th or the 8th District.

MS. KAPLAN: Uh. . .

2/9/99 WHOLE COMM. - Budget Hearings

COUNCILWOMAN KRAJEWSKI: I guess you don't see it in there.

MS. BITTENBENDER: Councilwoman, let us get back to you on that.

COUNCILWOMAN KRAJEWSKI: Pardon me?

MS. BITTENBENDER: Let us get back to you. Some of the sites are not listed. The majority of them are, but it does not appear at this moment that they're here. We'll come back to you.

COUNCILWOMAN KRAJEWSKI: Thank you. I would like to go back to the Police Academy. Wouldn't it be a lot less expensive to add on to the Police Academy than putting these modulars and trailers and what have you.

MS. BITTENBENDER: Not necessarily. There was a double modular that was actually constructed about two or three years ago called "Valor Hall" that, I believe, the Police Department is happy with. And it provides a cheaper level of construction, and the construction can happen rather quickly.

And I think that the Police Department was pleased with that facility and, therefore, asked for another modular. I believe I'm correct.

Is there anyone here from the Police Department?

COUNCILWOMAN KRAJEWSKI: There are no plans for the interior of the Police Academy as far as the. . .

MS. KAPLAN: They didn't request anything of that nature.

COUNCILWOMAN KRAJEWSKI: Well, I'm sure a lot of departments don't request.

MS. KAPLAN: No, they're not shy; they usually ask for way more than we can give them.

COUNCILWOMAN KRAJEWSKI: They have a budget as well, as we all know. But I would like to invite you, if possible, to go through the Police Academy in the 15th District 'cause I've been up there and I know that they need an awful lot of work up there.

MR. KAPLAN: I think -- obviously, we'd be happy to do that. In addition, one of the reasons that the modular approach was taken the first time was that with the Crime Bill officers being brought on line, there was a necessity for getting the facility out very quickly.

There was also a peak because we increased the number of classes we were putting through the Academy each year. We're expecting that now to reduce a bit to a more steady level, and I think that will give us a chance to look at the kinds of different approaches that --

COUNCILWOMAN KRAJEWSKI: Because I understand they were having problems with their air-conditioning and also with their heating system. Half of them were freezing in there at one time.

But, again, I would like to make an appointment. Maybe we can --

MS. BITTENBENDER: Councilwoman, I'll make an appointment with you, and we'll go up and check out the facility.

COUNCILWOMAN KRAJEWSKI: Thank you.

COUNCILMAN KENNEY: Thank you very much.

The Chair recognizes Councilmember Rizzo.

COUNCILMAN RIZZO: Thank you, Mr. Chairman.

My question is to Barbara Kaplan. What

criteria do you use to strategically allocate our limited resources as between the neighborhoods and economic development?

MS. KAPLAN: I don't think we kind of do it as an either/or situation. We try to address the most pressing needs, wherever they occur. I mean, if we have, you know, a building that is failing in some way, or if there's a health and safety hazard, that gets the first priority -- whether it's, you know, a neighborhood facility or a citywide, you know, kind of facility.

And as I said, we also give high priority in cases where a small amount of City money is going to leverage federal funds or funds from other sources.

We -- we really feel that -- you know, we depend on the departments to identify the needs in the neighborhood facilities that they operate -- the recreation centers, the health departments, the libraries. We feel that the departments, you know, are running those facilities and that, you know, they know what the conditions are. That goes for police stations and fire facilities as well.

COUNCILMAN RIZZO: Well, what Councilwoman Krajewski just pointed out is a perfect example of what I hear constantly -- the deplorable condition that our police officers have to work in, not just at the Academy and the 8th and the 15th but in most of the police districts.

So are you suggesting that the budget of the Police Department is so fat that they don't need to come to you? They feel as though they can deal with this?

MS. KAPLAN: No, they do come to us, and pretty much, we have satisfied the requests that they made. I mean, we really gave them almost all of the money that they requested.

The other thing is that there was a study undertaken by the Police Department several years ago that surveyed all of their facilities to try to identify, you know, what the most pressing needs are. And we have been working our way through that report.

Each year the Police Department, you know, gives us a request, and in large part, because it's been previously identified as a need.

And then if other things come up since that study -- if other things have come up since that study was undertaken, they request those things as well.

MS. BITTENBENDER: Councilman Rizzo, I think I can probably help to answer part of your question.

The Capital Program Office, the Police Department is one of our client agencies, and we work daily with them during the design and construction of previously funded capital projects. But we also work with them throughout the year to put together a list of priorities of projects that we are going to request to the Planning Commission at budget call.

And before budget call happens, the Capital Program Office works with them to identify a list and to develop the scopes and the schedules and the cost estimates, and we help to prioritize that list.

COUNCILMAN RIZZO: Well, I happen to agree with Councilwoman Krajewski. Mr. Kaplan said that this building, this modular building isn't planned for the second year, so we have a lot of time here to build a permanent facility. I just can't understand why we build a temporary modular facility -- especially when this thing's not even on the drawing board yet. We're talking, what, two years away?

MS. BITTENBENDER: No, they're not necessarily temporary; they actually have a life span of about 25 years.

COUNCILMAN RIZZO: Well, I hope our Police Department plans to be here more than 25 years. But it seems as though that is not a very good decision, as far as I'm concerned, to suggest that the Police Department or the training facility can operate in a modular building.

Granted, some of these modular buildings are fine, they're very nice, but I think it sends a message that I don't particularly like. That we need a permanent structure there and we're wasting money building a permanent structure that you just stated has a life expectancy of 25 years.

And based on my experience touring the city and seeing the condition of our police stations, I'd be embarrassed to take a visitor to any police station in the City of Philadelphia. They're disgraceful, they're dirty, and it's just -- they're unsightly. I don't have any more adjectives to use to describe some of those facilities.

Thank you.

COUNCILMAN KENNEY: You should visit 24th and Wolf -- it's not too bad.

The Chair recognizes Councilmember Mariano.

COUNCILMAN MARIANO: Thank you, Mr. Chairman.

This pretty much is really to the Streets Commissioner, but maybe you can help Mr. Moy out. We spoke a little bit yesterday about the hot in-place paving, and I was wonder if -- Commissioner, could you help us with that? Can you give us some information, the cost, the difference between doing that or saving on that and the projected costs for the life span of these streets?

COMMISSIONER MOY: Good morning, Councilman. The hot in-place recycling, you're asking the relative costs?

COUNCILMAN MARIANO: It's obviously cheaper to do this, right?

COMMISSIONER MOY: Yes.

COUNCILMAN MARIANO: But will it last as long? 'Cause we've never had it before. And the streets that I visited, now, they may have been the worst ones, but they weren't working out too good, 'cause they've only been a year or so.

I mean, I visited Somerdale Avenue in my district, and that one worked fine 'cause that's a very, very wide street, and it goes for miles and miles. But the other ones -- a couple up in Mayfair I looked at, and we spoke about this yesterday, where there's intersections, and all the people I know in construction have concerns about the diameters and intersecting street.

We don't have any data saying how long this will work, correct?

COMMISSIONER MOY: Right. What we did was, this year, we began a pilot program with the hot in-place recycling, and we did start in the Northeast, the lower Northeast, some portions of Oak Lane, and then down into Center City.

There were some things that we proved

through that pilot. We're going to work on a program this year, trying to address some of those problems and concerns that we experienced over the summer. We're confident it's a good program, though.

COUNCILMAN MARIANO: Good. And we spoke yesterday, and I want to officially ask you, could I get a cost breakdown of what we save doing this now as opposed to doing it the other way as a projected savings over five or ten years. The streets should last ten years?

COMMISSIONER MOY: Depending on the volume, yeah, that's a --

COUNCILMAN MARIANO: Now, we don't really know if this new hot repaving -- I mean, it makes a lot of sense. I mean, it really does -- if it works. We don't know if it really works, and the first indications are that it doesn't work as well as they may think it works, or that the people that sold us this idea works.

COMMISSIONER MOY: Well, we have some testing and we will be glad to furnish that and the pricing to you.

COUNCILMAN MARIANO: But can I get the

pricing and cost estimates over ten years, what we save by doing it this way, what it would be if we had to do it the other way? Like, we don't know. I mean I don't think we know if it lasts ten years, we have to wait and see. If we're going to go back in five years and do something double that we might have done once for a little bit more money but may have lasted -- do you understand what I'm asking?

COMMISSIONER MOY: I understand what you're asking, and we'll try and --

COUNCILMAN MARIANO: Can you get that to me and every member of Council?

COMMISSIONER MOY: Yes, we will.

COUNCILMAN MARIANO: Thank you.

The next question would be the street lighting, to touch onto what Councilwoman Tasco started. We talked about replacing lamps. We're putting new modern than lamps that have a different luminous effect?

COMMISSIONER MOY: Yes.

COUNCILMAN MARIANO: Correct? But we're not doing any -- I mean, as long as you have been Streets Commissioner, have we replaced any new street lights? 'Cause there's a lot of dark spots and new spots that never had a light.

COMMISSIONER MOY: Right. That's not the rule. We do not have funding for regular replacements of missing --

COUNCILMAN MARIANO: So if a community group comes to me or one of the other Councilpeople and says, "This is a bad spot here, this is a spot where people have been getting raped, people have been getting mugged, carjacked." It's been my experience that we don't get new lights, it's been my experience from the Streets Department Lighting Division that there's no money for new lights. Now, maybe I'm wrong.

Can you help me with that?

COMMISSIONER MOY: There is there is no dedicated funding for any large-scale program, Councilman. We would try to -- if you had a specific acute situation, we would try to help you and address that.

COUNCILMAN MARIANO: Well, in a city of this size, as neighborhoods change and old neighborhoods rebuild, you know, we're always adding more money to infrastructure.

Is there any way we could put money, Miss Bittenbender or Miss Kaplan? Is there any way we could put any money away looking at this plan in the future? Where as neighborhoods change in a crime area, an area where the lighting was sufficient.

I mean, I understand they're putting new light bulbs in, and that's fine. But new lamps in -- "lamps" in is the correct word. But there's areas where things are changing, and it may be an area where we never had anything.

There's nothing projected for that in this five-year budget?

MS. KAPLAN: There's nothing in this budget, you know, that specifically provides for that. I think, as the Streets Commissioner was indicating, when there are circumstances that arise, certainly there's an opportunity to discuss that on a case-by-case basis with the Streets Department.

I think, you know, if you're suggesting that maybe there ought to be dedicated funding to do this --

COUNCILMAN MARIANO: I think it's

better to be proactive than reactive. If something happens somewhere, then we say, "Geez, if there was a street light here. . . "

There's no villains here; I'm just looking to be proactive.

MS. KAPLAN: I mean, we haven't included that in this budget because that's just not -- as I said, that's sort of not been the program up to now.

COUNCILMAN MARIANO: Could we?

MS. KAPLAN: Well, I think that's something that maybe the Streets Department ought to think about and perhaps make that request next year if they think that there's a need for dedicated funding for that purpose.

COUNCILMAN MARIANO: Could we do that, Commissioner Moy?

COMMISSIONER MOY: Yes, we can, Councilman.

COUNCILMAN MARIANO: And you would do that for us?

COMMISSIONER MOY: Yes.

COUNCILMAN MARIANO: Next year?

COMMISSIONER MOY: Yes, sir.

2/9/99 WHOLE COMM. - Budget Hearings

COUNCILMAN MARIANO: Thank you.

COUNCILMAN KENNEY: Thank you very much.

I just have a few questions on the first round, and then we'll go to Round 2. And these are for --

Commissioner, there's a couple questions for the Streets Department. One is to follow up on Councilmember Mariano's questions on hot in-place recycling on street paving.

I need, in addition to what he's asked for, any information we have on the environmental or pollution problems associated with this process going on the way it does. We've gotten complaints from people in Center City and other areas that the fumes and everything else that's created as a result of this has given them some concern, and we'd like to have that looked at.

Secondly, the areas that are paved around manhole covers are in terrible condition. Even stuff that's been paved over the last few months has already broken down and is creating both pedestrian and vehicular potential hazards.

And the third thing, and I think

Councilman Mariano alluded to it, was the size of -- when the street is a wide street, it seems like it works. But when streets are narrowed for either turning lanes or other things, there's areas that are not being paved at all, and the process is not contiguous. When we come back and do another process, it doesn't create a bond that allows for one smooth paving. Larger streets are okay, but smaller streets and Center City streets just don't seem that they're getting the right treatment. So that's a real concern for a number of us.

Secondly, street signs. I had thought originally when I started to see street signs that faded, that someone, some vandals were climbing up poles and spray-painting them in order to change the name of the street or to do -- as I've gone through the City, in many, many parts of the City, it seems as if these signs have simply faded to the point of not being able to read them at all.

Who provided those signs? Is there some type of way to recover the cost for the defective signage? I mean, outdoor street signs should last in weather, and it seems as if weather and rain or whatever is what has caused these signs to fade. And in many neighborhoods, they're totally useless now. I assume they're going to have to be replaced.

Who is the contractor and what warranty or what way of recovery can we find to get those signs paid for again?

COMMISSIONER MOY: Are you talking about traffic regulatory signs?

COUNCILMAN KENNEY: No, I'm talking about street signs.

COMMISSIONER MOY: The street designation --

COUNCILMAN KENNEY: The green street-designated signs.

COMMISSIONER MOY: They --

COUNCILMAN KENNEY: In areas of the Northeast and in some other areas, they are just completely faded. And, again, originally, I thought it was vandalism but I can't believe they climbed on every pole on Harbison Avenue and spray-painted all of the signs green.

COMMISSIONER MOY: No, I think that's a part of their normal life process for some of these signs.

COUNCILMAN KENNEY: But these just went up. I mean, these have been up less than two years. I mean, they're brand-new green signs.

COMMISSIONER MOY: We'll have to get with you and get that --

COUNCILMAN KENNEY: And I see it more -- I mean, I see it all over the City, not just the Northeast.

COMMISSIONER MOY: Okay, we'll look into that.

COUNCILMAN KENNEY: Third, what do we currently have allocated, appropriated for alley light installation? Which I understand has not been totally completed. And what monies do we have currently appropriated or proposed to be appropriated for alley light maintenance?

COMMISSIONER MOY: I don't have the exact figures in front of me, but the last part of the process there is Center City, Councilman. We have some remaining alleys to be addressed there. We expect to get that funding and have a contract in place to complete that this summer.

COUNCILMAN KENNEY: I guess

Councilwoman Tasco in the second round can raise that if she desires, but I mean, I know she has indicated that not all of the lights that she had expected to be installed have been installed -- even from the first go-around of appropriations.

COMMISSIONER MOY: Ell, in terms of the alley lights and in that district --

COUNCILMAN KENNEY: She's not here now.

COUNCILWOMAN TASCO: I'm here.

COUNCILMAN KENNEY: Oh, she is here, I'm sorry.

COMMISSIONER MOY: We had a policy in which we were not necessarily replacing alley lights exactly where they were. I think there was a better placement of lights where we were trying to address largely the portals first, where you enter the alleys. And so there may have been -- if there were four lights there, there could have been three replaced because there was more efficient lighting, better lighting. And this is the pattern that we've developed throughout the City.

Now, I thought there were a couple locations that we had addressed that the

Councilwoman had concerns about last year. Were they taken care of?

COUNCILMAN KENNEY: No. So what do we have as far as maintenance is concerned into the future?

COMMISSIONER MOY: We have some residual funding still remaining from the PECO credit there to address maintenance.

COUNCILMAN KENNEY: Okay. Are we requesting any additional funds for --

COMMISSIONER MOY: Not at this time.

COUNCILMAN KENNEY: So you have enough for how long?

COMMISSIONER MOY: Enough for -- I'd have to check how long the credit will last. It's at least this year, though, Councilman.

COUNCILMAN KENNEY: Okay. And just one final question as it relates to the Zoo and the monorail. The last time I was on it, I agree -- it was not too long ago. I did agree that it was in pretty bad condition and now the decision has been made to remove it.

Has there been any discussion about potential upgrade or replacement as an attraction to bring people into the Zoo and to create maybe a revenue stream that isn't there because of the condition of the monorail now?

(Pete Hoskins comes forward.)

COUNCILMAN KENNEY: All of the developers are coming in -- Disney and Simon and others. Maybe we could have an innovative attempt made at creating an attraction for the Zoo, as opposed to removing the monorail, or replacing it might have been in order.

MR. HOSKINS: My name is Pete Hoskins, from the Philadelphia Zoo.

I'd like the record to show that Councilman Kenney is the only person I know that actually remembers all of the words to the original advertisement for the Talking Story Book keys.

COUNCILMAN KENNEY: And I'm not going to sing it for you. No, I want, no.

(Laughter.)

COUNCILMAN KENNEY: I learned from the Mayor not to sing.

MR. HOSKINS: In answer to your question about the monorail, the system is 30 years old. It was installed 30 years ago, December of 1968. And it was a contract that was intended to be extended to about 30 years.

And at the end of that period, the system basically was really no longer able to be upgraded to a safe state. And so we reluctantly agreed that the safety was actually the most important thing here and that we would not be able to replace it in kind.

So we will be demolishing the system as part of the master plan. And in terms of other rides, the plan that it looks like we're moving to now would be rides on the lake in addition to the rides we have with the animals, of course.

So we appreciate the nostalgia that goes with that, but I think safety here is probably the most important issue.

COUNCILMAN KENNEY: Okay, thank you very much.

(Council President Verna returns to the Chair.)

COUNCIL PRESIDENT VERNA: The Chair recognizes Councilman Nutter.

COUNCILMAN NUTTER: Thank you, Madame

Chair.

So, Miss Kaplan and Mr. Kaplan -- although, to the best of my knowledge, you're unrelated Kaplans. Is that --

(Laughter.)

COUNCILMAN NUTTER: Okay, but you're friends.

(Laughter.)

COUNCILMAN NUTTER: Maybe not after today.

(Laughter.)

COUNCILMAN NUTTER: I'd like to talk about three specific projects. Actually, one was raised earlier that was on my list, which is Belmont Mansion. It's my understanding that the Fairmount Park Commission either directly or indirectly, and one of the commissioners who happens to be the president, expressed interest in the Belmont Mansion for its completion. I believe that's upwards of $1 million.

Last year at budget time, I specifically asked about two projects -- the 21st Ward ice rink and the Wynnefield Recreation Center. In budget hearings, we subsequently had discussions with the Recreation Department about those two projects and a discussion with Mr. Kaplan and Mr. Rost.

Ms. Kaplan, can you tell me what happened to those projects over at the Planning Commission?

MS. KAPLAN: I wasn't involved in any of those discussions, so I --

COUNCILMAN NUTTER: No, you were not. Were they presented to the Planning Commission as items of interest or discussion based on the process that you laid out earlier?

MS. KAPLAN: The Belmont Mansion was requested by Fairmount Park.

COUNCILMAN NUTTER: Okay, what happened?

MS. KAPLAN: We did not include it in the budget year or in the program because we have spent, I think, over a million dollars already on Belmont Mansion, and I guess we were not persuaded, when we looked at it in combination with some of the other projects, that to spend another million or more dollars on it seemed excessive in terms of how much we had already spent and --

COUNCILMAN NUTTER: But it's not finished.

MS. KAPLAN: And what the nature of the facility was.

Well, I think the solution to this was that I believe the Capital Program Office agreed to make an independent evaluation of it, to make a determination of what they thought was really needed there, to see if we could meet the essential needs of that facility without spending that much money.

COUNCILMAN NUTTER: Well, I'm not advocating for a particular dollar figure. What I'm advocating for is that the project be completed. It was initially allocated a certain amount of City dollars in conjunction with foundation dollars.

The early estimates apparently were not adequate. The project is not complete. So I'm not sitting here asking for a million dollars if a million dollars is not needed. What I'm asking for is the sufficient dollars to complete the project and get it over with so that we can all go on with our lives. That's what I'm asking for.

Miss Bittenbender, do you have something you wanted to add to that?

MS. BITTENBENDER: The previous project that was completed was the Caretakers House, and the dollars that were requested this year was for the mansion.

COUNCILMAN NUTTER: Right.

MS. BITTENBENDER: And as Barbara had said, we had agreed to take on engineering study and cost estimate to see what the phases of those renovations would actually entail in a more detailed review.

COUNCILMAN NUTTER: Well, isn't there material already in existence about that from the Fairmount Park Commission?

MS. BITTENBENDER: Yes.

COUNCILMAN NUTTER: This is not a new project, right?

MS. BITTENBENDER: No.

COUNCILMAN NUTTER: Okay. So where does that leave me for today?

MS. KAPLAN: We did not include it in the budget because, I guess, compared to other projects, we were not convinced that the amount of money that was being requested was -- was really going to yield the kind of benefits that you would expect from putting a million dollars into that project, and we felt that it should be reevaluated independently by the Capital Budget Office.

I think a lot of us were, you know, somewhat -- "dismayed," I guess, is the best way to express it. When we had put in the money which was going to be used in combination with private funds, we had thought it was going to go into the Mansion, where we thought, you know, there would be, you know, more -- more public use, more benefit. But -- and then we later found out that it all went in to the Caretakers Cottage. And we're not sure whether that was because, you know, the overall cost of the project was not adequately, you know, understood at the beginning, and we just never -- we're not satisfied that we're really getting our money's worth.

COUNCILMAN NUTTER: Right.

MS. KAPLAN: Not our money's worth, but the City's money's worth --

COUNCILMAN NUTTER: Right, I

understand.

MS. KAPLAN: -- you know, for that project. And compared to a lot of the other projects that were requested, we just felt that it didn't compete well with those projects, but we agrees that --

COUNCILMAN NUTTER: Well, I appreciate your sense of dissatisfaction. And you have to understand that I'm dissatisfied that the project's not done.

Let me ask you this question: How much money do we have in the Regional Performing Arts Center -- for past years and last year?

MS. KAPLAN: I don't know what the total dollars are. I can get that figure for you.

COUNCILMAN NUTTER: Is it 10 million, 20 million, 30 million?

MS. KAPLAN: I don't recall what the number is.

COUNCILMAN NUTTER: Okay. And that's a project that still has a funding gap; is that correct?

MS. KAPLAN: I believe so, yes..

COUNCILMAN NUTTER: Okay, all right.

Mr. Kaplan?
MR. KAPLAN: Yes.
COUNCILMAN NUTTER: How do we determine that we were going to issue $124 million in debt to fund this year's Capital Budget? And what's the debt ceiling?
MR. KAPLAN: The overall -- I don't have the debt ceiling with me at this moment, but it's in the range of about a billion, 200 million.
COUNCILMAN NUTTER: I'm sorry?
MR. KAPLAN: It's in the range of about a billion, 200 million, and I don't have that number in front of me.
Our goal over the past several years has been to limit our general obligation portion of the Capital Budget to about $125 million a year for two reasons: one is that that would leave us under the debt ceiling for at least until the middle of the next decade -- perhaps longer depending on how real estate assessments turn out and give the City some time to make up for the several years where there was no capital borrowing.
COUNCILMAN NUTTER: Did we --

MR. KAPLAN: But the more important issue is the ability to afford debt service on the operating side of the budget.

COUNCILMAN NUTTER: Right. Last year, did the Mayor propose a Capital Budget at one amount; and during the course of the budget hearings, was that amount changed?

MR. KAPLAN: I don't think we changed the amount. I think we redirected the appropriations from defense conversation to libraries.

COUNCILMAN NUTTER: Okay. So there is an ability to move dollars around, even after the recommended budget is proposed?

MR. KAPLAN: That's why it's recommend.

MS. KAPLAN: That's why it's recommended.

COUNCILMAN NUTTER: Right. And we're also using this year $49 million in past PICA dollars that were, I assume, for emergency projects at the time, and we're now using them for other things; is that correct?

MR. KAPLAN: Yes. Although they still must meet general PICA criteria.

COUNCILMAN NUTTER: I understand that. And are there any PICA dollars still outstanding from previous borrowings that have been not been directly programmed for projects?

MR. KAPLAN: Those are the dollars that are at issue this year. There's a combination of funds which were for projects which were completed under budget or, for various reasons, not completed and interest earnings on the current PICA balances.

COUNCILMAN NUTTER: All right. Madame Chair, I know that the timer went off a while ago. I'd like to be able to come back and talk about two other things. Thank you.

COUNCIL PRESIDENT VERNA: Thank you.

The Chair recognizes Councilwoman Tasco.

COUNCILWOMAN TASCO: I thought I was finished, but I have a couple questions.

Miss Kaplan, can you tell me, were you involved in the plans for the bicycle lanes?

MS. KAPLAN: No.

(Laughter.)

COUNCILMAN ORTIZ: That was very quick.

MS. KAPLAN: I believe that's the Streets Department.

COUNCILWOMAN TASCO: So your department wouldn't have anything to --

MS. KAPLAN: No, our only role in this is to allocate the capital funds that have been necessary for the bicycle network.

COUNCILWOMAN TASCO: Okay. Well, I guess I have to ask Mr. Moy this question then.

Mr. Moy, is there any rhyme or reason to how the lanes were -- were -- to which streets were identified for these bike lanes? And was there any pattern to them?

COMMISSIONER MOY: Yes, Councilwoman. We have a group of folks that had been planning a bicycle network plan there. Now, what you may see, however, is, in the execution of the plan, they have not have had a lot of funding there to do the plan all at once.

And what you've seen is pieces of the plan started to be put in place. Some of this has taken place when there's been resurfacing of the streets. They have tried to put the lines in when they resurfaced.

It will take a while for that plan to take hold, but there is an overall plan.

COUNCILWOMAN TASCO: Will there be bike lanes on most streets in Philadelphia? How did they determine where the bike lanes should be placed?

COMMISSIONER MOY: Well, they had a series of neighborhood meetings to try to get input from communities to develop bike lanes and biking lanes for certain areas. So they would not get every street, but you would have concentrations of where there would be corridors where you could permit bicycles.

We could share that with you if you'd like.

COUNCILWOMAN TASCO: Well, were there meetings held throughout the City?

COMMISSIONER MOY: Throughout the City, yes.

COUNCILWOMAN TASCO: I don't know if they were held up in my area 'cause I have one block of one street with bike lanes, and I don't even know why the lanes are there. They're terrible.

COMMISSIONER MOY: We'll be glad to look at that. If you want to give me that location, we'll take a look at that situation.

COUNCILWOMAN TASCO: Well, I'd just like to know that there's a plan, and I'd like to know what the plan is for my district.

COMMISSIONER MOY: Okay. We'll set up a meeting.

COUNCILWOMAN TASCO: Because I'd like to have some input into whether or not we need bike lanes on certain streets or not, 'cause it doesn't make sense to me right now, how a lane on Williams Avenue -- I have one block where probably there are no children, and it's hardly likely for anybody to ride a bike. And I have one block of a street that goes from Ivy Hill Road to Upsal.

COMMISSIONER MOY: Okay.

COUNCILWOMAN TASCO: And I have one block with a bike lane.

COMMISSIONER MOY: We'll be glad to meet with you.

COUNCILWOMAN KRAJEWSKI: Well, people are afraid to park their cars, and one person in the district right directly across the street from where I live parked there and got a ticket. I think they're horrible.

COUNCIL PRESIDENT VERNA: And I would like to add to that. A businessman on Washington Avenue absolutely refused to have Washington Avenue reconstructed, if, in fact, bicycle lanes had to be included, and they were told they definitely had to be included.

So that presents a very dangerous, dangerous problem, when you have large trucks that would be going in and out of the buildings. I think it's something we really have to look at.

COMMISSIONER MOY: We'll look at that, Councilwoman.

COUNCILWOMAN TASCO: I have one other question of Miss Bittenbender. Are there any regulations that would require the City to hold up payment from a contractor if he or she does not pay the subcontractor?

MS. BITTENBENDER: Uh. . . you ask excellent questions, Councilwoman two days in a row.

Not to my knowledge. It is very difficult for us to have regulations regarding payments, due to the fact that we do not directly contract with the subcontractor.

I will tell you that we spend much of our time interfacing on behalf of those subconsultants both on professional services as well as construction. But unless. . .

The Deputy Commissioner from the Procurement Department has some of these regulations. Hold on one second. It appears as though I'm incorrect.

(Joe Resta comes forward.)

MR. RESTA: Good morning. I'm Joe Resta, the First Deputy Director of the Capital Program Office.

There actually is a mechanism in place for nonpayment of subcontractors on construction contracts on public works only. It is a labor and material bond. It basically goes hand in hand with the performance bond.

Should a subcontractor not be paid by the prime contractor, they can execute against that bond with the bonding company. But because the City does not directly contract with the subcontractors, we are basically -- we are an observer to that process.

COUNCILWOMAN TASCO: Well, you know the nature of contracting. A lot of contractors are not going to do that 'cause they want to continue to work. And if they can create that -- initiate that action against a major contractor, they may not get work in the future.

I'm thinking about introducing an ordinance that will require us to have the major contractors submit -- when they put their request in for payment, that they certify that their subcontractors have been paid.

Is that something you could deal with?

MR. RESTA: It would probably help that situation, but I currently know of no ordinance in draft.

COUNCILWOMAN TASCO: I beg your pardon?

MR. RESTA: I currently know of no such ordinance in draft.

COUNCILWOMAN TASCO: No, I'm telling you that I'm going to introduce that ordinance. That would give you some assistance.

MR. RESTA: I agree that it would help.

COUNCILWOMAN TASCO: Thank you, thank you.

COUNCIL PRESIDENT VERNA: Councilwoman, do you have any other questions?

COUNCILWOMAN TASCO: No. Thank you.

COUNCIL PRESIDENT VERNA: Thank you.

The Chair recognizes Councilman Rizzo.

COUNCILMAN RIZZO: Thank you, Madame President.

I'm disappointed to hear that we don't have a plan that includes adding additional street lights, that we basically have to use our offices to appeal to the Streets Department to survey and to consider an additional street light.

What I would like to recommend to the Planning Commission is that we do a citywide survey to look -- or to the Streets Department. I don't know that --

MS. KAPLAN: I think that's something -- I mean, not something that the Planning Commission has the expertise or the training to do.

COUNCILMAN RIZZO: Okay, but everyone here in charge is listening. To hear that we don't have a plan to add additional street lights, that it's just something there's no money budgeted, there's nothing, no operation that could make that happen other than a letter from a Councilperson to get that consideration, that I would like to recommend that we conduct a citywide survey of the entire city to see if our city is lit properly.

Right now, we rely on the contractor that has the street light maintenance contract to tell us whether we have street lights on, off. Because we pay for them. Whatever the number of street lights that we have, we pay every day to operate them. So if there's 500 off, we have to depend on that contractor to back-bill us or do whatever the process is to give us credit for that number of lights that aren't operational on any given day.

So I would like to see the entire city surveyed to see if we have adequate street lighting or maybe too much in a certain area, and have some of them removed if necessary -- in front of an abandoned house or where they're not needed. But, obviously, where they're needed, they should be.

Something that I'm interested in, and I can't find it. I just saw all the additional lighting added along Kelly Drive on the jogging path and foot path. I can't see -- I can't find in the budget where that money came from.

MS. KAPLAN: That money, I believe -- let's see.

COUNCILMAN RIZZO: I'm talking about the lights that are already installed along the Art Museum, all the way up to the reviewing stands, the decorative ornamental lights that have been installed to light a footway.

Could somebody show me, please?

MS. KAPLAN: We did do that with the funding from a previous capital program.

COUNCILMAN RIZZO: 'Cause I never heard that discussed, mentioned. And then, all of a sudden, we see all of these lights pop up on Kelly Drive, along the footway.

But I'm going somewhere with this. Right now --

MS. KAPLAN: It was in last year's -- actually, it was originally proposed in 1998 and it was carried over into the 1999 budget, and there's a project called "Kelly Drive Street Light Modernization." It's on Page 92 of the last year's capital budget.

COUNCILMAN RIZZO: Okay. We presently have a dangerous situation on Kelly Drive. It's unsafe. It also is unsightly. The underground network of street lights on Kelly Drive has failed. To make those lights work, temporarily function, wire that is not meant for the application -- the fixtures aren't designed to support the cables that have been tied off to those.

I don't see anything in this budget to rewire the underground network on Kelly Drive to get rid of these overhead wires that aren't supposed to be there. Are they in the budget? Is that a capital program for the Kelly Drive rewiring?

Again, I repeat, those wires are supposed to be underground. The very beautiful Kelly Drive has wires strung from one street light post to the other, and those structures are not designed to accommodate those wires hanging on there. We've already had situations where vehicles have hit a pole and it's taken down two or three as a result of the incident.

So I'd like to see where the money is for that project. If you need to get back to me on that, that's fine if it's readily available. But I'm concerned because I've looked through this and I don't see, other than some monies on Page 14 where it says "Citywide Fairmount Park Curbing Footways Installation of Concrete Curbing."

COMMISSIONER MOY: Councilman, we will get back to you. We agree with you about the concerns on Kelly. And as you know, that responsibility is PECO Energy's in terms of that underground system right now.

The Streets Department was preparing plans with federal aid there to replace that system. I believe it's in our federal aid line item. We're going to double-check on that.

COUNCILMAN RIZZO: Commissioner, you know we've had this conversation frequently. It's a bad situation, it's unsafe, it's unsightly. And I don't see it here, and I was told by representatives of the Streets Department and

2/9/99 WHOLE COMM. - Budget Hearings

Fairmount Park that this condition -- and I'm sure Fairmount Park isn't thrilled about having these wires running all over the aluminum light standards. They weren't meant for that.

That is dangerous. If someone gets hurt, we have a big problem with this.

COMMISSIONER MOY: We'll double-check and make sure it's in -- if it's in that federal aid line item, and we'll get back to you.

COUNCILMAN RIZZO: But it should be in this Capital Budget?

COMMISSIONER MOY: I think there's a line item with federal aid, and I think it's lumped in there, I believe.

COUNCILMAN RIZZO: Well, I'd like to see it lumped out.

COMMISSIONER MOY: Okay.

COUNCILMAN RIZZO: Is that a word?

COUNCIL PRESIDENT VERNA: Are you finished, Councilman?

COUNCILMAN RIZZO: Yeah. Thank you, Madame President.

COUNCIL PRESIDENT VERNA: Thank you.

I have just have a question if I may.

The FY '2000 Capital Budget proposes to use $48.9 million in PICA pre-financed loans. What is the total amount of Pike-available funds, and can you tell us what are the restrictions, if any, on the use of these funds?

MS. KAPLAN: I believe that this is the total amount of unused PICA loans that is available now. I would let -- I will defer to Dean Kaplan to give you more specific information about that.

COUNCIL PRESIDENT VERNA: Thank you.

MR. KAPLAN: Yes. As I mentioned in a response to a question from Councilman Nutter earlier, the approximately $49 million is a combination of approximately $30 million in interest on some of the PICA bonds which had not been spent, which was over and above their original projections. And about 18 million in a variety of projects which either were not completed or were -- more likely, were completed under budget, or funded from a different source.

Those are the currently available PICA funds that we've identified. It is possible that in the future, depending on how projects -- the timing of when projects are completed and the amount of time PICA funds are held, that there may be future funds as well.

This is the sum total of funds that are available now. Projects which are completed with this money have to meet the normal PICA criteria, which is fundamentally an emergency kind of --

COUNCIL PRESIDENT VERNA: I'm sorry. The noise level in here is much too high, and we can't hear the witness.

Please proceed.

MR. KAPLAN: I believe I'm done.

COUNCIL PRESIDENT VERNA: You're finished? Thank you.

The Capital Program Office is requesting $5.8 million in funding for FY 2000. What is the breakdown of how these funds will be used? Can you tell us the number and salaries of the positions that you're requesting in FY 2000? And can you compare that to FY '99?

MS. BITTENBENDER: Absolutely. I'll have to send that list over to you. But it's 79 positions -- 74 of them are in our department and I think 5 are in the Department of Public

Property's Communication Division. And I can give you a listing of all the employees and their salaries both from this year and from last year.

COUNCIL PRESIDENT VERNA: And could you tell us what the project management services will be providing, and to whom?

MS. BITTENBENDER: I'm sorry, I didn't hear the last thing that you said.

COUNCIL PRESIDENT VERNA: I said, could you tell us what the project management services will be providing, and to whom?

MS. BITTENBENDER: Sure, yeah, I'll give you a breakdown of everything that we have put together for the budget for the year of what our anticipation is.

COUNCIL PRESIDENT VERNA: Thank you.

Commerce Economic Development, line 41, deals with the Naval Business Center. Was a portion of the Naval Business Center included in the City's Keystone application? And if so, will the Administration have to revise the TIF plan that Council has approved for the Navy Yard? And if so, will the sources of financing be changed?

MS. KAPLAN: I think I would defer to

2/9/99 WHOLE COMM. - Budget Hearings

Bill Hankowsky to answer that question. Is he here?

(Bill Hankowsky comes forward.)

MR. HANKOWSKY: Bill Hankowsky, President of the Philadelphia Industrial Development Corporation.

And the short answers are: yes, yes, and yes. A portion was included in the Keystone Opportunity Zone. We included approximately 40 acres at the very entrance, where you come in from Broad Street to your left, where the dorms were and the officers' housing.

COUNCIL PRESIDENT VERNA: Mm-hmm.

MR. HANKOWSKY: And we included a portion of what we call Girard Point, where the -- excuse me, I take that back.

We included that portion of the shipyard where there are vacant industrial buildings where we don't have tenants yet.

So we did not include, for example, Kvaerner or Metro or the Marine Associates. Any existing tenants were not included, so they will continue to pay whatever taxes they're paying or will pay.

It is also correct that we will have to amend the Tax Increment Financing District to reflect this, and we will be submitting an ordinance shortly to Council to do that. And that will slightly modify the source and uses of that. As you recall, that TIF district was the only one we've done where it was prospective -- in other words, where we didn't bring a project in hand, and it was meant to induce firms to come.

And so we did an analysis, which I'm happy to share with Council and Council's technical staff. We actually had the accounting firm of Deloitte Haskins do a tax analysis of the comparative benefit of the KOZ versus TIF, and then made decisions based on that.

COUNCIL PRESIDENT VERNA: Do we have many businesses that are locating now at the Navy Yard?

MR. HANKOWSKY: I think it's fair to say that we have a good stream of interest. And we are intensely at the moment working with the Navy to attempt to finalize an agreement such that we can acquire the property.

One of threshold problems we have is

being able to either sell in fee to a company or to enter into a long-term lease on the base side. We have the capacity to do long-term leases on the shipyard side.

COUNCIL PRESIDENT VERNA: Thank you.

On Line 103, One Parkway Building, the elevator is to be upgraded by over $100 million. What was the total cost to renovate One Parkway? And when did the City take possession of the building?

And during the building renovations, what was the extent of the work done on the elevators and at what cost? Why is it needed at this time?

MS. BITTENBENDER: Council President Verna, I'll accept that question and answer.

Let me just start at the beginning. The City did an evaluation of seven candidate buildings for purchase. That evaluation began in, I believe, 1993. By the time the building was actually selected and the bond was floated, the original engineering assessments of all the base building systems had been evaluated. And the response back from our consultants were that those elevators would be able to last another six-plus years.

It was the City's intention at that time, when doing the bond deal, that we were not going to put in for the full replacement of those elevators in hopes that we would be able to get an additional years of life out of them.

The City did actually occupy that facility starting in May of '98 and completed the move-in in November. Since then, those elevators have deteriorated beyond what we had expected of them, and we are requesting additional dollars in the Capital Program to actually replace them.

COUNCIL PRESIDENT VERNA: Thank you. I think I have used my time.

The Chair recognizes Councilman Nutter.

COUNCILMAN NUTTER: Thank you, Madame Chair.

Mr. Kaplan, I'd like to go back to our discussion about a couple projects and also get some clarification on the total dollars that are available for the FY 2000 Capital Budget.

In reading Miss Kaplan's testimony, it says $125 million of new tax-supported loan

2/9/99 WHOLE COMM. - Budget Hearings

funding and $49 million in reallocated funds previously borrowed through PICA.

So now, is that total of 174? Or is the 49 a part of the 125?

MR. KAPLAN: That's a total of 174.

COUNCILMAN NUTTER: Okay. Now, you indicated that, in our previous discussion, the PICA dollars are being reallocated to certain projects having been appropriated for certain other projects at some other point in time, maybe deemed an emergency -- now, five, six years later, the emergency has either resolved itself or is not as much of an emergency as we thought it was. What are the qualifications for a project to get reallocated PICA dollars?

MR. KAPLAN: There are usually two criteria. One is that, in fact, that there is some sort of emergency condition. And usually, under most -- there's some disagreement as to exact definition, but there has to be a relatively long-standing condition that we can normally establish was either existing or in some way close to existing at the time of the PICA bond, the PICA Act's passage in 1991.

So, as you can imagine, that makes almost anything you might want to reprogram funding for very difficult. There's a fair amount of creativity in those definitions.

The other area of --

COUNCILMAN NUTTER: I'm sorry, what did you say?

MR. KAPLAN: There's a fair amount of creativity.

COUNCILMAN NUTTER: Creativity.

MR. KAPLAN: Creativity.

COUNCILMAN NUTTER: In the definition.

MR. KAPLAN: Yes.

COUNCILMAN NUTTER: Of emergency.

MR. KAPLAN: Of emergency.

COUNCILMAN NUTTER: Okay, all right.

MR. KAPLAN: The alternative, I believe, would be to not have access to any of the PICA dollars. So we have in general tried to choose projects which may or may not -- which are related to a problem, a significant problem which has existed for some time. In some cases, we have specific evaluations dating back to that time; in other cases, we can draw some fairly direct connection to the time when the Act was passed.

The other alternative is, in the case of certain projects where we can show that the City might have certain negative financial consequences, there are projects which are in a category called "deficit reduction" or "deficit avoidance." Those projects have to be approved by -- once agreed to by us and approved by Council and approved by PICA, they need to have approval from the governor's office and either the State treasurer or the State auditor general.

So the bar on those projects is quite high. And in general, we --

COUNCILMAN NUTTER: Well what's the emergency for Line Item No. 46, the Independence Mall site improvement? They have $5 million worth of emergency down there. Why don't you tell me about that.

MR. KAPLAN: I think that's -- that is the one case where we are approaching the State to seek a deficit criteria. As you know, the Independence Mall project is fundamental to the City's ability to successfully host the Republican National Convention in the year 2000. And in order to --

COUNCILMAN NUTTER: You know, with all due respect to the Republicans, I wish that they'd have come here a couple years ago 'cause we're getting so much stuff done as a result of the Republicans coming to Philadelphia.

Councilman O'Neill, I really wish you had worked on this project about ten years ago.

COUNCILMAN O'NEILL: It was the tie.

COUNCILMAN NUTTER: It was the tie. I understand, I understand.

COUNCILMAN NUTTER: All right, go ahead, Mr. Kaplan, if you want to go down there, to "the Republican emergency."

MR. KAPLAN: "The Republican emergency," yes. I think I'm done.

(Laughter.)

COUNCILMAN NUTTER: So you can be creative and you can figure out ways to get PICA dollars to get reallocated to various projects.

Can you tell me what happened to the 21st Ward Ice Rink project and the Wynnefield Recreation Center project in the Capital Budget go-round?

MR. KAPLAN: Yeah, I think I can. The normal procedure we follow with new projects -- which, incidently, normally are not eligible for PICA funding -- is, and this is one we followed in a number of cases over the last several years -- is to consult with the departments and then put together a funding package, assuming that there's some agreement on the Administration side that the project is desirable.

Although I know that you're recall of prior Council meetings is encyclopedic, I'd have to respectfully say that I do not recall the discussion this -- of either of these projects before we discussed them this fall.

COUNCILMAN NUTTER: For today, Mr. Kaplan --

MR. KAPLAN: But I will be happy to concede that that's true.

COUNCILMAN NUTTER: For today, flattery will get you nowhere.

MR. KAPLAN: What's that?

COUNCILMAN NUTTER: For today, flattery will get you nowhere.

MR. KAPLAN: But assuming that that's

the case --

COUNCILMAN NUTTER: I understand.

MR. KAPLAN: -- when we learned about the projects at the budget level in the fall, we were clearly not as far along when we discussed them with Recreation as we normally would be on these.

Let me give you a couple of cases of what we've done in the last several years. In the 8th District, the Lonnie Young Rec Center; and bordering in the 2nd District, the Ritner Library; and in the 9th, the Dorothy Emanuel project.

We have, in all of those cases, spent somewhere between a year and two years reviewing the project, determining whether -- what the operating costs were to the relevant department seeking funding from sources other than the City's portion of General Fund dollars and putting together a package usually -- no, in fact, in all of those cases, with State dollars to do the project.

COUNCILMAN NUTTER: Mr. Kaplan, if I can mention to you, and you know I never mean to be rude, but I'm now operating on borrowed time.

2/9/99 WHOLE COMM. - Budget Hearings

MR. KAPLAN: Mm-hmm.

COUNCILMAN NUTTER: And I'd really like to talk about the two projects that I'm interested in.

MR. KAPLAN: Mm-hmm.

COUNCILMAN NUTTER: Which are the 21st Ward Ice Rink and the Wynnefield Recreation Center. Now, I'm trying to figure how to get them in the budget because we are trying to seek some additional dollars. They are new project they are new projects, but they're greatly needed projects.

For instance, the Recreation Commissioner knows that by way of a map produced by the Planning Commission, if you look at the five centers that exist in the city now and take a two-mile radius around them, every part of the city is covered except the northwest. And in the Wynnefield situation, there is no major recreation center in the Wynnefield community.

So I just want to really talk about those two projects and figure out how we can creatively get them in the budget, where they below. I made the request a year ago; a year later, I have nothing. That's what I want to talk about.

MR. KAPLAN: Mm-hmm, mm-hmm. Well, I think, taking them separately, in both cases, I'm telling you, I was not aware of them before this fall. And in most cases, we do not fund large new projects -- in this case, a $2 million or so rec center or a $4 million or so skating rink -- directly out of GO funding from the City's portion of funding. We normally try to leverage State recreation grants and other funding, which is not an overnight process.

COUNCILMAN NUTTER: Well, Mr. Kaplan, I didn't ask for all the money all at one time. Now, you may or may not be aware of that.

I can be difficult, but I'm not completely unreasonable. I think what I'd like to see is some best effort by the City to start, and we can certainly work on it over time. For the moment, it is zero. Now, you can't sit at the table and say that it has never occurred in the past that the City put some dollars in the Capital Budget and in the rest of the Capital Program to demonstrate support for projects. I would not want to take you through the history of that.

MR. KAPLAN: Well, I think in the case of the rec center there, is a clearly documented need, and my understanding is that the Recreation Department has begun looking for specific sites for that project. And I think that in that case, I would agree with your point.

In the case of the skating rink, I think that although we have had a general discussion with Recreation, and I realize that from what I have learned since then that there is some community demand for that site, there also is a non-city rink that covers that area that is relatively close to that site. And when we look at limited resources in the budget, to spend $4 million for an indoor ice rink --

COUNCILMAN NUTTER: Which? I'm sorry, where?

MR. KAPLAN: Wissahickon.

COUNCILMAN NUTTER: Where is this rink?

MR. KAPLAN: Wissahickon.

COUNCILMAN NUTTER: Okay, but it's a non-city facility.

MR. KAPLAN: It's a non-city facility.

COUNCILMAN NUTTER: Right.

MR. KAPLAN: Which isn't to say that we shouldn't necessarily construct a new indoor facility in Roxborough. But I think that when we look at the overall needs in the Budget, we need to think about, A, what are the places we should build new facilities; and second of all, whether we may be able to leverage other resources as well.

COUNCILMAN NUTTER: By way of the geographic dispersement of the rec centers that we have, that is the most likely location to put a new one. It's the only unserved area by a city facility. I can't account for what private facilities do or don't do. This is a discussion about public facilities. If you look at the map, which I'll be glad to run down to the office and get, you'll see a big hole on that side of the city. That's the issue.

MR. KAPLAN: Well, I'm not sure the City's in the financial position where we can necessarily ignore other available facilities. I'm not saying that we should or shouldn't; I'm just saying that since I learned about this in October or November, now I don't think we're in a position to say that in a budget which is the Capital Budget, which is relatively constrained, where we normally have twice the amount of requests that we can fund, that a $4 million new facility relatively close to a private facility which is open to the public and of a quality that's hosted national skating events is necessarily something that we should decide on immediately, and that perhaps some more careful investigation is warranted on the part of Administration.

COUNCILMAN NUTTER: Well, I don't think there's any doubt that there's more careful insight that needs to be made on behalf of the Administration. I think what I'm trying to get to is some level of accommodation that at least starts the project.

We don't have to make this decision today, but I think my decision on this is very clear. This is the recommended budget, there are other things that are going to come through this particular budget.

And for the moment, we could leave it at that, but I think you're pretty clear on where

I stand on this particular issue? Right?

MR. KAPLAN: Yes, I hear you.

COUNCILMAN NUTTER: Okay, thank you.

Thank you, Madame Chair.

COUNCIL PRESIDENT VERNA: Thank you.

The Chair recognizes Councilman Mariano.

COUNCILMAN MARIANO: Thank you, Madame President.

Mr. Kaplan, you may be able to help me with this. Abandoned cars. I'm like really going nuts with abandoned cars, and I'm sure it's under the Police Department's germane (sic). Inspector? I mean, Commissioner, I'm sorry. Could we get the Commissioner.

MS. KAPLAN: The removal of abandoned cars would be in the Operating Budget rather than in the Capital Budget.

COUNCILMAN MARIANO: Okay, but I still want to talk about it 'cause I have you all here and I don't get this chance.

COUNCIL PRESIDENT VERNA: Well, they'll be back for the Operating Budget.

COUNCILMAN MARIANO: But, excuse me,

Madame President, but yesterday I was up in the 42nd Ward at Castor -- I mean, at Rising Sun and Front Street. I mean, I can't wait for them to come back; it's that bad.

All of a sudden -- and I'm sure that some other Council districts are the same way, but I can speak for mine. We need to do something about abandoned cars. I was up there with Inspector Sadler yesterday -- great guy, but I don't know if he has the wherewithal to remove all these abandoned cars. I never seen anything like it. I mean, there's hulks everywhere. There's cars that if you watch 'em over two, three weeks, I guess they're stolen. I mean, you know, who abandons a 1996 car unless it's stolen. But in a matter of days, it's stripped and it's in the middle of Rising Sun Avenue, in the middle of Rising Sun and Front Street. It just becomes a quality-of-life issue.

And we're doing good things here, and I realize this is the Operating Budget, but is there any plans or anything we can do to do something? Do we need to bring the National Guard in to do this, or do we have the facilities? Should we transfer it out of the Police Department's hands, into maybe the Streets Department's hands like they do in New York City?

(Deputy Police Commissioner Thomas Nestel comes forward.)

MR. NESTEL: Tom Nestel Deputy, Police Commissioner.

Councilman, we can handle that problem. What we do with the abandoned vehicles, they are contracted out to salvers to remove. We have abandoned-vehicle officers in each direct. I will personally go back and speak to Inspector Sadler, and I guarantee you, there will be some improvement.

COUNCILMAN MARIANO: I appreciate that, Commissioner, but you got to understand my frustration. As I ride down Rising Sun Avenue, I could be three hours late getting here for this hearing; there's that many cars. I don't think we could do it. We'd have to have 20 tow trucks -- it's beyond tow trucks now, they're flat beds. And we'd have to do it seven days a week, probably three months to get rid of some of these cars.

And that's just in the 42nd Ward. We

get down into the 19th and the 17th -- and Operation Sunrise has been helping on that, but it seems like they know where to stay out of Operation Sunrise and now it's on the perimeter areas where they're abandoning these cars. There must be some people making millions and millions of dollars stealing cars here.

COMMISSIONER NESTEL: We have several salvers involved in this program, and I will ensure that they get each one of those salvers involved in removing those vehicles.

COUNCILMAN MARIANO: Thank you.

COUNCIL PRESIDENT VERNA: Commissioner, if someone reports an abandoned car, the police simply cannot go out and tow it. I think what you have to do is explain what the process is.

COMMISSIONER NESTEL: Yes. But I believe that the majority of the situations that Councilman Mariano was talking about are vehicles that are actually hulks. And in those cases, we can remove those cars that are a danger to the community; we can have those remove rather quickly.

Other vehicles that are abandoned

because they don't have the proper registration or because they've been -- there is something wrong with the car but not to the point where it is dangerous, that there is a process where we have to identify the owner, we have to send out certified letters to the owner, we have to give that individual a minimum of ten days to remove it before we can then write a summons for the abandoned vehicle. We then notify the salver, who removes the vehicle.

So it does take time to get that process done. But if it is a situation where there is broken glass, there is something dangerous about the vehicle, we can expedite the removal of those vehicles.

COUNCILMAN MARIANO: Commissioner and Madame President, that's my frustration. The whole system is antiquated. If there's a car in front of someone's house and it's blocking a driveway, certainly we can get it moved; and if it's a hulk, there's a lot of hulks now happening there because of the beginning of this process.

But there's something going on in this city. All of a sudden, over the last five, six, maybe ten years, and it's really picked up over last two years where everybody's in the car business all of a sudden. Everybody has cars backed up against each other -- right, Councilwoman? -- so we can't see that there's no tag or there's a T tag.

The whole system is antiquated. If I have to have a police officer from the 25th District to go up there, he's a police officer; he's not a salver. He could be out on the street being a police officer. This whole system needs to be changed.

And I would appreciate it -- I know what goes on. What happens is, they go up there and they say, Well, the gas tank's not leaking, somebody bends over and takes a ice pick and bangs the gas tank. Sure, if I was a copy, I would do it. That gets that out of there, then it becomes a hazard for the community. Or they break a piece of glass.

But we need to be back at the beginning of this process and create something where actually it's out of the Police Department's hands 'cause I think, you know, the way it's always been here, and the new commissioner who's come -- I hear New York has a great system, and he's coming from there so he's obviously known, and I've talked to him in private. It's something we need to do.

But today I'm just saying that's something we got to get into here because the quality of life for the people up in the 42nd Ward -- we talk about "quality of life" as the great buzz word, it's terrible when you walk down your street and there's 13 hulks, plus there's cars that are going to be hulks in a matter of a month.

COMMISSIONER NESTEL: Councilman, we will look at the whole process, but I can tell you, believe the number of abandoned vehicles that have been removed from the past year was about 22,000. I mean, we do a lot of removal of those vehicles.

COUNCILMAN MARIANO: Commissioner, I don't doubt that, but I think if we remove 22,000, we're going to remove 25,000 next year, and then 30,000. Somewhere along the line, the people that create the Avenue of the Arts and create all the good things that we've been seeing here -- at least as long as I've been Councilman, and it has something to do with it, I guess.

But we got to be able to figure out how to help the people at Rising Sun and Front with just abandoned cars. And there's other issues we're going to work on, but that is something that's really amazing. I mean, it just chases people out of the city in droves.

Thank you.

COUNCIL PRESIDENT VERNA: I think, Councilman, you've hit a nerve. I see other that Councilpeople that want to be recognized on that.

The Chair recognizes Councilwoman Miller.

COUNCILWOMAN MILLER: Thank you, Madame Chair.

I was going to ask this during the Operating Budget; however, I have the same issue. I just want to follow up on some of the items that Councilman Mariano spoke of.

And one of the things I found out lately is that the City contracts with 16 salvagers to remove cars, and their yards are full. So one of problems is that there's no space and nowhere for them to take these cars. And we've done tours constantly. In fact, we have a nice little pilot project we're going to try in the 14th District, adding instead of one abandoned-car officer, but four more to do that to help in the effort, using injured officers that can help at least tag those cars.

So my question, though, would be: Do you think you need to consider contracting with more salvagers or finding someplace else where these cars can go? Because they're all over the streets, everywhere.

COMMISSIONER NESTEL: Councilwoman, in the past several years, we have increased that program from 6 or 7 salvers to 17 salvers. We accept every salary salver who fits in the criteria and meets all of the qualifications; we don't turn anyone down, as long as they meet the qualifications.

So if there are other salvers who are interested in that program, we certainly will accept their application and look into getting them into part of the program. And I'll also discuss that problem with the captain of the 14th.

2/9/99 WHOLE COMM. - Budget Hearings

COUNCILWOMAN MILLER: Okay, thank you.

COUNCIL PRESIDENT VERNA: Thank you.

The Chair recognizes Councilman Rizzo.

COUNCILMAN RIZZO: Thank you, Madame Chair.

COUNCIL PRESIDENT VERNA: In the same line of questioning, Councilman?

COUNCILMAN RIZZO: Yes. I'd like to district my comment to the Police Department.

Commissioner, I think again we have a process problem here. I have identified a vehicle that I have started to report as an abandoned vehicle approximately three to four weeks ago. The first day that that vehicle was left, it had the license plate on it. The second day, it didn't have the license plate. The third day, it had the wheel covers missing.

I personally -- and I documented my calls to 911. 911 wasn't very interested in even discussing a report of an abandoned vehicle. And I'm not convinced that the police ever even got dispatched because the neighbors at this particular location -- and I'd like to not burden you with it, but I'd appreciate you having someone follow up with me.

I think the process stinks. I think that the way we deal with it -- my three calls to 911, I was kind of like bothering the dispatchers or the call-takers even calling 911 to tell 'em about this. I said, Here's a brand-new vehicle left at an intersection. Monday, it's nice and clean. Tuesday, there's no license plate. Wednesday, there's no wheel covers.

Well, I was questioned, like why am I calling because how do you know it's stolen? I said I don't know it's stolen; that's why I called the police. It's a brand-new vehicle, it's been left in the middle of the intersection. And every day, it's deteriorating more and more.

Again, I think this whole process, if you need it fixed. Then you should recommend to this Council to do a new ordinance to make it easier for the Police Department to deal with this problem. Because it's a shame to have a person's car stolen, left on a city street. A citizen goes to the trouble to report it, and there's no response from the Police Department.

I was told by the one dispatcher that

this probably won't get dispatched till 3 o'clock in the morning when we're slow.

COUNCIL PRESIDENT VERNA: Commissioner, I think you fully understand the concerns that many of the Councilmembers have regarding this issue. It is an operating budget issue. When you come in to testify -- I believe it's next week -- I would suggest that you be fully prepared to address this.

COMMISSIONER NESTEL: Okay, Council President, I will.

COUNCIL PRESIDENT VERNA: Thank you, thank you very much.

COMMISSIONER NESTEL: Councilman Rizzo, could you give me the information on that vehicle?

COUNCILMAN RIZZO: Sure.

COUNCIL PRESIDENT VERNA: Thank you.

The Chair recognizes Councilman Ortiz.

COUNCILMAN ORTIZ: This is about the budget. The Mayor gave a speech the other day at the Chamber of Commerce. And one of the things he mentioned was that the Association of Latin-American Musicians had gotten a grant from

Governor Ridge for $2.5 million. And Congreso had gotten a grant for capital building. And for the last 25 years, we've been trying to build a cultural and art center within the barrio with an anchor of the Association and the Puerto Rican workshop.

And I've asked Greg Rost and yourself about including that within the Capital Budget. If the Governor is willing to put in some capital funding and the mayor mentioned it as an extension really of our cultural expansion and expanding our art attractions and cultural attractions into the neighborhood.

I haven't found it within the Capital Budget. And I was wondering what we have to do in order to begin getting the City to put as many capital monies into art institutions in the barrio as the Governor is -- a Republican governor is doing.

MR. KAPLAN: I think -- I believe that our understanding was that the State Capital Redevelopment Assistance Grants in certain cases were sufficient to complete projects, and others weren't. In the cases where there were additional

City funds required, our understanding was that between FY '99 and FY 2000 funds, that they were in the commerce lines.

But I don't think that either of the projects you mentioned were among those, so I'll have to look into that and get back to you.

COUNCILMAN ORTIZ: Well. It is not sufficient to complete, and I would appreciate it if we could begin being as responsive, I would imagine, as a State government.

I don't expect that our contribution would be as large as the Governor's, but I think that if we're going to have an Avenue of the Arts and Center City and we're trying to create our art institutions within the neighborhoods, I think this is the best project we can have. And I'd like to begin discussions as to when we begin to include that within the budget.

MR. KAPLAN: Right. My understanding was that in certain cases -- the one that comes to mind immediately is Point Breeze, where the State made a significant commitment and we committed some money around that project to finish the details, that we had get covered most of those.

2/9/99 WHOLE COMM. - Budget Hearings

But I may be mistaken.

So I'll look into it and get back to you.

COUNCILMAN ORTIZ: I understand Point Breeze, but I'm talking about extending the same aspects of Point Breeze to North Philadelphia.

Thank you, Madame Chair.

COUNCIL PRESIDENT VERNA: You're welcome.

The Chair recognizes Councilman O'Neill.

COUNCILMAN O'NEILL: Thank you, Madame Chair.

Mr. or Ms. Kaplan, I guess, to start out with, on the Vet Stadium line --

COUNCIL PRESIDENT VERNA: Gee, Brian, I looked at that, and I was afraid to ask a question on that.

(Laughter.)

COUNCILMAN O'NEILL: Well, maybe I should be too, but I just have a question.

We were told and we've read in the newspaper as well that one of the anticipated methods of paying part of the stadium costs will be to bond $5 million a year because that's what it costs us t maintain the Vet. It sounds perfectly valid, if that's what it costs us to maintain the Vet and we're not going to have the maintenance cost of a new facility.

But I'm just trying to see. I haven't gone back over the last ten years. But looking at these, it seems like it's a little bit less than that -- half a million, a million, three million.

And could you explain that? 'Cause this anticipates us still having the Vet, I assume.

MR. KAPLAN: Yes. The Capital Budget, as it's presented, takes into account the fairly significant capital funding -- approximately $40 million spent this decade on the Vet.

COUNCILWOMAN VERNA: I'm sorry. Would you mind repeating that, please?

MR. KAPLAN: Sure. The Capital Budget, as presented, takes into account the significant capital funding expended on the Vet over the last decade or so, about $40 million.

And much of that work was completed in response to a study about in the late '80s which identified specific projects which needed to be completed in the then-20-year-old building to keep it operating.

What we have presumed in the Capital Budget going forward was that this year, we would conduct a similar study and identify projects that are needed to take the building in and through the next decade. And that over the next several years, as we design and start building those projects, you'll see that the Capital Budget starts at $500,000 this year and runs up to $5 million by the last year of the program.

COUNCILMAN O'NEILL: Right.

MR. KAPLAN: It's our belief, based on the discussions we've had with people who are managing similar-aged stadiums around the country and also our experience the last several years, that we would probably need to continue that level of $5 million a year throughout the life of the Vet, where we'd maintain that as our primary sports venue in the city.

Although I have not seen the most recent proposal or a detailed proposal, but the estimates that would be spending $5 million year in capital are based on that assumption in our baseline budget. In addition, if we are spending $5 million in capital a year, you'll quite quickly end up spending $5 million a year in debt service.

So that's -- I believe that's where the assumptions about the potential funding source for a new stadium come from.

COUNCILMAN O'NEILL: It seems a little high to a layperson in terms of engineering and all that, because I know one of the problems with the Vet, before that ten-year period you mentioned where it was $40 million, was that there had been a whole lot of neglect to the point where there was some safety issues and things, and the Phillies started making repairs under their lease and things.

MR. KAPLAN: We thought that as well, actually, when we first started looking at it. And the more time we spent with this number, actually, the more comfortable we've been in the fact that this is probably in the correct range.

COUNCILMAN O'NEILL: Okay.

MR. KAPLAN: Especially since, by the time we're at the end of this program, the building will be well over 30 years old. And you're talking about -- when you're comparing it on a stadium financing basis, you're talking about a building that will eventually be over 50 years old before the comparison term is up.

COUNCILMAN O'NEILL: Is it paid off?

MR. KAPLAN: The original debt from the original construction of the Vet, I believe when we looked at it last in the fall, it will be paid off in 2001, I think. There's a fairly steep decline in the last couple years, but there are several million dollars still outstanding on that debt -- mostly principal. But that debt would be paid off before any new stadium could be constructed and opened.

COUNCILMAN O'NEILL: Thank you.

COUNCIL PRESIDENT VERNA: Excuse me, don't we have PICA debt outstanding on that, too?

MR. KAPLAN: There is additional debt for the work which has been conducted since the facility was opened. I was referring to the debt that was used originally to construct the facility.

COUNCILMAN O'NEILL: Madame Chair, I

have a question on the same subject just to keep the continuity going.

COUNCILMAN COHEN: I'm kind of interested in why we're talking of additional capital expenditures for the Vet Stadium. It's been my understanding that the capital funding is the long-range planning different from maintenance. It seems to me, in view of the action taken on the stadiums, that all we ought to be doing at this stage, no matter how I may happen to vote on the matter later on, it seems to me that there's a real possibility that the Veteran Stadium (unintelligible) is very rare and that we ought not to be spending on capital expenditures but on maintenance.

Is there something wrong with that understanding?

MS. KAPLAN: Well, at the time this budget was prepared, we had no knowledge that there was going to be a bill in Harrisburg or that the possibility of a new stadium was that imminent. And even now, even though there's money coming from Harrisburg, there still is not a done deal, there's not a total financing package put together. There's still not a site selected.

And I was think we felt it was the right thing to do to put a certain amount of money in this program to prepare for the continued existence of Vet Stadium, you know, if it's going to be here for, you know, a few years. I mean, that -- the amount of money that is budgeted can, of course, be not spent, or the future year appropriations not made if, in the next few months, you know, the course of events changes.

But at the time we prepared this budget, we felt that it was the right thing to do, to maintain our assets, to put in a certain amount of money. And, as Dean Kaplan just indicated, this is a -- in the early years of this program, it's a relatively small amount of money compared to the average annual expenditure we have made over the past decade to keep the Vet in good condition.

COUNCILMAN COHEN: May I suggest that there be further consideration by those who prepare the Capital Budget? There are still many, many unmet needs, and I believe that there ought to be a counter series of proposals to meet other needs to replace the figure of $5 million --

MS. KAPLAN: It's only thing $500,000, which is a very small amount of money to kind of keep pace with, you know, current capital reinvestment. And some of that money was intended to go toward a survey -- a condition or an engineering survey to determine what expenditures this facility might need over the next six to ten years, just the way a study had been done about eleven -- I guess it was ten or eleven years ago, to project what we would need for the past decade.

So this is a relatively minimal amount of money. And if -- as I said, if the decision-making process should be accelerated and we really knew very quickly that we're not going to be needing this facility, we would, of course, not spend this money at all.

COUNCILMAN COHEN: Well, I just thought that the Capital Budget information that you furnished us with ought to include what items have been added to the Capital Budget as a result of the availability of funding that used to go for capital funds for the Vet Stadium and which are not now needed.

Tell us, what have you added, say, in the form of neighborhood services, that kind of thing that has been made available since you only have a half a million instead of the average of 5 million.

MS. KAPLAN: Well, we didn't specifically take money that would have gone for this project or any other project that's been completed and dedicate it to another project. Each year, we evaluate all of the project requests that we get to determine what are the most pressing needs, you know.

And sometimes, you know, if we have a very large commitment in a year, like we had appropriated a lot of money for the new House of Corrections, for example, that means that everything in the program winds up getting proportionally less to make way for a big project. But we never sort of say, Okay, we're not spending $5 million on the Vet this year so we have $5 million to put on these five other specific projects. We have a total amount of money, as indicated by the Finance Department, and we revaluate all of the projects.

We also look at, you know, what departments -- you know, what had been programmed previously because departments -- we encourage departments to do their planning in five- or six-year increment so that, you know, we know that if we're going to do Phase I of the Strawberry Mansion Bridge one year, we know we're going to do the second phase of it in the second year, and we better plan to have that money available, you know, while the contractor's still on the case so that there's no gap in the completion of that project.

COUNCILMAN COHEN: All right. I thank Councilman O'Neill for yielding, but that's as far as I was going to go on the Vet Stadium, so I yield back to him.

COUNCILMAN O'NEILL: There's two items mentioned. You mentioned GIS, Geographic Information Systems. Could you just tell us generally what that means and what it means to us in terms of what we have in it and what we could have in it if we had the full-blown GIS that many large cities particularly have, and what some of the capabilities are if you have the full-blown.

I mean, there's cities that have their streets department trucks hooked up with equipment that they just -- they see a pothole and it goes right in while the trash truck, or whatever it is, is out on the street. They're very, very sophisticated.

But if you could just explain just sort of some basics of what we have and what is the potential of this system, including PECO and the Gas Works and the, Water Department having everything on a --

MS. KAPLAN: Well, I can't tell you everything; I could tell you a certain amount.

COUNCILMAN O'NEILL: Okay.

MS. KAPLAN: Or we could probably arrange for a real presentation to City Council, which might be a good idea at another time -- maybe after this budget process is over.

But the Planning Commission developed the initial Geographic Information System, I guess, in the early '90s. And basically, our interest was that we could no longer maintain the City's paper maps and every time a street changed or every time a zoning changed, record that on the maps; we just didn't have the staff to be able to do that. We knew that there was this new technology that seemed like the way to go.

And we also recognized that once we developed the basic map of the City -- that is, put the map of the City in digital form so that it could be, you know, printed out by computer, that other departments would find this useful. And, in fact, we worked really from the beginning with a task force of departments that would be most likely to be interested in this.

It's developed to the point where -- I mean, there's certain information we have. The City zoning map is in the computer, the basic street map is in the computer. We have all of the City's capital facilities in the computer.

And I think it was two or three years ago that we provided each District Councilperson with a map in their district of all the capital facilities, which is the first time I think we've ever been able to really do that so that the people could see at a glance the relationships of these facilities. We --

COUNCILMAN O'NEILL: Are all of our

underground utilities in the system?

MS. KAPLAN: No. I think --

COUNCILMAN O'NEILL: As some cities, I believe have.

MS. KAPLAN: No, I don't believe they are now. Probably you could get more technical information from the Water Commissioner and the Streets Commissioner here.

The Water Department undertook an aerial photography program to be able to improve the quality of the maps. We put in the computer the maps that we had the Planning Commission -- warts and all.

Whatever inaccuracies there were in the paper-copy maps, that's the way they went in the computer because to stop and correct all them, those maps, and make them perfect, we would never be able to develop a system. But now those maps are being perfected as a result of the aerial photography that was undertaken by the Water Department.

And perhaps the Water Department is undertaking its own enhancement to the system, as is the Streets Department. They could tell you in more in detail exactly what those enhancements are.

COUNCILMAN O'NEILL: Who would coordinate it? I mean, is someone in charge that would say if the Gas Works, you know, all of their systems should be in our GIS, and let's get that done. The Water Department, everything, all the pipes in the city and everything should be in our GIS, let's get that done. Or go over to the electric company and say, We think it would be in your best interest and ours -- 'cause they probably have their own GIS anyway -- and incorporate it into ours.

It just makes all kinds of sense to have as much information in there as you can. Is it part of your structure or --

MS. KAPLAN: I don't know currently. I know in the early stages of this, the gas company and the electric company were not interested in participating directly in the development of the system. That may have changed because I haven't been at recent meetings to discuss this.

The MOIS is kind of -- now that, you know, we kind of got it past the developmental stages, is really taking the lead on this.

COUNCILMAN O'NEILL: Okay.

MS. KAPLAN: There is a users group that meets periodically with all of the agencies so that everybody knows what they're doing and there's sort of common protocols for making additions or changes to the file.

I mean, there's a lot of activity going on around us. I don't pretend to know everything that is going on; I have a general sense of what is going on.

As I said, it might be a good idea for Councilpeople and their staff that are interested in this if we arrange a special session where we can get into more of the technical details, and you can have an opportunity -- maybe have it either over at the Planning Commission or MOIS and see exactly what's involved in the system.

COUNCILMAN O'NEILL: Okay.

MS. KAPLAN: Certainly, I agree with you. WE haven't moved as fast as some other cities in doing this. Largely, that's just a question of how much in the way of financial resources we could devote to this.

But I think the more the system has become developed, the more departments are finding it useful and starting to understand in what way they could further enhance the system to suit their own particular needs.

COUNCILMAN O'NEILL: Okay, okay.

MS. KAPLAN: So that's a general answer.

COUNCILMAN O'NEILL: Madame Chair, I don't want to be disrespectful, but I would hope we could have either MOIS or someone that is over this just give us a brief -- we don't need the full-blown, you know, techie. We want to understand just what is in it, what could be in it, what do other cities have, what's our long-range goal.

'Cause my understanding is from other cities that have really gotten into this, that it has been nothing short of miraculous, what they've been able to save, what they've been able to stretch their resources to do. And it's a good economic development tool as well, from what I understand.

So I would just that hope at some

point, we could plug it in. I don't mean to disagree. It's just -- I'm thinking of something a little smaller than what would be more of a technical presentation outside the budget process. I'd just rather see -- it's all capital money, I think, that's used for --

MS. KAPLAN: Well, no. There's also a lot of --

COUNCILMAN O'NEILL: Operating money too?

MS. KAPLAN: Operating money is also --

COUNCILMAN O'NEILL: To set it up as well?

MS. KAPLAN: -- used because a lot of parts of this are not really capital.

COUNCILMAN O'NEILL: Software, that type of --

MS. KAPLAN: It's only when we make a major investment --

COUNCILMAN O'NEILL: Okay.

MS. KAPLAN: -- in something that we put it in the capital.

COUNCILMAN O'NEILL: We can wait for the operating. I don't have a particular problem with that.

COUNCIL PRESIDENT VERNA: Thank you.

The Chair recognizes Councilman Rizzo.

COUNCILMAN RIZZO: Yeah, to follow up on a subject that Councilman O'Neill's discussing, I'd like to ask about this PEGA system -- Project Enterprise Government Application System.

I understand that we're developing a system from scratch or possibly that being software at a cost of three quarters of a million dollars. I'd like to know if so and we're developing this program, are we licensing it? Or why are we developing a program if there's something out there? I mean, this costs three quarters of a million dollars.

MS. BITTENBENDER: Councilman Rizzo, we went through a multi-, multi-month make-vs.-buy analysis where we looked at all of the software systems that are available on the marketplace, and did demos of them and had cost estimates done to see if they fit the needs of the City. And, in fact, what we decided was to actually do a "make situation" based on the Microsoft Office projects -- excuse me, the Microsoft family of products.

2/9/99 WHOLE COMM. - Budget Hearings

And we're going to be changing our Paradox data base that the City has used for the last, I don't know, eight, ten years, converting it into an access data base, and we're going to be doing integration using the Microsoft Project products to actually incorporate a complete hand-in-glove relationship between the budget management and the project management.

COUNCILMAN RIZZO: Well, if we're developing something, are we possibly going to make some money from developing this product? Are we going to license it or are we going try to sell it to other municipalities and cities?

Currently, we put a lot of effort beyond this 750,000 into this project, so is this going to benefit us and other places and make some money on this thing?

MR. KAPLAN: I think that's a good suggestion. My understanding is that there's some fairly tough restrictions on how the City can charge for products like this that it develops beyond recouping its own costs, but we can --

COUNCILMAN RIZZO: Just recoup our own cost.

MR. KAPLAN: Right. We can explore that with the Law Department, and I think that's a good suggestion.

COUNCILMAN RIZZO: Okay. Now, I have a question to Dean Kaplan. It's in reference to Fleet Management. I really try to read this stuff, and I don't want to use the word "confused," but sometimes I scratch my head. Who does Fleet Management report to?

MR. KAPLAN: The Fleet Management office is run by Deputy Managing Director Riley Harrison, and he reports to the Deputy Mayor for Management and Productivity, Linda Berkowitz.

COUNCILMAN RIZZO: Why isn't Fleet Management part of the Operating Department since they support all of the operating departments? Why isn't the Managing Director have oversight of Fleet Management?

MR. KAPLAN: When the original executive order was drafted for Fleet Management -- and this predates my taking this position so I'm not familiar with all of the details, but it was originally a Management and Productivity initiative of the Administration, so it was placed under the Management and Productivity umbrella. The executive order does provide for the eventual return of Fleet Management to the Managing Director's supervision.

COUNCILMAN RIZZO: The reason I bring this up is the that it seems as though monies that support the fleet are just spread all over the place. I see a million dollars for a new fire boat in Fleet Management's budget. Then -- a department near and dear to you -- I go and see $6.5 million for vehicles in the Water Department. I find out that when we go to get a City vehicle washed, that it's being charged to the department that operates that operating department.

Has anybody ever thought of bringing all this back into Fleet Management so that there's some semblance of order? It just doesn't make any sense to me that we have a Fleet Management department that's responsible for all of the vehicles and all of the operating departments, and then the operating departments don't have any -- well, they do have input, but it appears that the Managing Director doesn't have any responsibility of Fleet Management.

MR. KAPLAN: A couple of different issues. In general, fleet monies are appropriated to Fleet in the Operating Budget, with the one exception you mentioned, which I'll address in a second.

What happens is that when you go back and look in the Operating Budget, you'll see that the Fleet Management has an appropriation in several different funds, so that won't see it in the Capital so much, but in the Operating, you'll see Fleet Management. And under that, they have a Water Fund appropriation and an Aviation Fund appropriation because, obviously, those, for a variety of reasons from an accounting point of view, it's more sensible for us to appropriate the Water and Aviation and other fund expenses to Fleet directly from those funds. So the reason you'll see different departments listed that way in Operating is for that reason.

The specific case you mentioned in Operating about car washing is one that you had raised last year, and we did change in this year's budget, in the proposed 2000 Budget, all of the car-washing expenses are in Fleet Management.

On the Capital side, the reason you see a difference is that due to a quirk in the way that the Water Department's vehicle purchases are charged to their suburban wholesale customers. It is to the great advantage of the City for the Water Department to purchase vehicles with -- with using the Capital Budget and using debt that approximates the life span of the vehicle so that you would issue a five-year bond for a vehicle that was going to last five years -- although most of them last longer. And I'd be -- that's a fairly -- it's a fairly lengthy discussion which I'd be happy to go over in more detail whenever that's appropriate.

In the Capital Budget, most of the Fleet expenditures are in Fleet. The Water vehicles are in Water. The Aviation vehicles, again, because of the quirks of accounting and how they receive their funding from the airlines, their vehicles are in the Operating Budget in Aviation appropriation to fleet.

So the fleet is in different pieces and mostly for accounting reasons, but if you ask

Fleet what their budget is, they'll say, We have X-number of dollars in Water capital, Water Operating, General Fund Operating. I mean, they're coming from different places, but it is an integrated budget, which is not unlike a number of other departments.

COUNCILMAN RIZZO: Does the Water Department have automotive engineers and people within the Water Department that oversee the fleet? Of we combined and gave Fleet Management the responsibility that we could save some money in consolidating that effort?

Because, Dean Kaplan, knowing you, you could probably figure a way to do these accounting things and maintain that -- and have Fleet Management be that responsible agency.

MR. KAPLAN: Yes. The Office of Fleet Management does have the overall responsibility for all of those various vehicles regardless of what department they're in. Most of the departments -- in the case of Water, obviously, it's been a couple years, but I believe Water has almost always maintained an in-house, a senior manager who is responsible for being the liaison senior with Fleet Management, making sure that the daily needs of the water vehicles are communicated and that problems are resolved, that sort of work.

In the Water's case, he was the head of the Water fleet when it was in Water, so he's a fairly experienced person who knows the Fleet Management people quite well.

COUNCILMAN RIZZO: And a million dollars for a fire boat?

MR. KAPLAN: That's what a fire boat costs. The City's three fire boats are all quite, quite old, and we looked at this in some detail, and perhaps the Fire Commissioner, who's very articulate on the subject, would like to come in briefly. But --

COUNCILMAN RIZZO: That doesn't sound like a lot of money.

MR. KAPLAN: The critical issue for us is to be able to cover both rivers. Obviously, if we have one boat up in Torresdale and one boat on the Schuykill, it's a long way to get to the middle if there's an incident on Penn's Landing.

COUNCILMAN RIZZO: I was just trying to use that as a comparison with the Water

Department.

MR. KAPLAN: Right, right. That seems to be -- and, again, Fleet Management, in this case, along with Fire, has priced fire boats. I believe New York bought a few recently, and we had some. Although they're a special order, there are similar cities that have bought some in the last couple years so we think that's a reasonable number.

COUNCILMAN RIZZO: The Police Department's starting to rub off on the Fire Department. Everything's coming from New York.

MR. KAPLAN: Right.

COUNCILMAN RIZZO: Thank you.

COUNCIL PRESIDENT VERNA: Thank you.

At this time the committee, will recess for about 15 minutes at the request of the stenographer. So we will be back here at 12:30. Thank you.

(Short break taken.)

(Proceedings resume at 12:35.)

COUNCIL PRESIDENT VERNA: We will now resume our hearings.

The Chair recognizes Councilman Nutter.

COUNCILMAN NUTTER: Thank you, Madame Chair.

Just for the record, one, Mr. Kaplan, if you check the budget testimony of Monday, February 23, 1998, on Pages 1079, continuing to 1080, you'll find a discussion about the 21st Ward Ice Rink and the Wynnefield Recreation Center. I'd be glad to share the notes with you later on.

Miss Kaplan, can you get for us in a slightly different format a list of all of the various budget projects that are listed either in this document, the Fiscal Year Capital Budget, or this document, the 2000-2005 Capital Program? Can you list those out in a slightly different format by project by Councilmatic district? In other words, can you tell me all the ones in the 4th, what they are, the dollars amount, what department they go with, and then the other 9 districts?

MS. KAPLAN: Mm-hmm.

COUNCILMAN NUTTER: Can you provide that to the Chair?

MS. KAPLAN: Right. By district.

COUNCILMAN NUTTER: By district.

MS. KAPLAN: Yes.

COUNCILMAN NUTTER: Okay. Presently they're in by department, and then you tell us what district they're in.

MS. KAPLAN: Right.

COUNCILWOMAN BLACKWELL: I'd like to see them by district, by project, by dollar amount, and then a total that goes with all of those Councilmatic districts.

MS. KAPLAN: There are certain ones that are not allocated, you know, that are not really --

COUNCILMAN NUTTER: That's the 99 --

MS. KAPLAN: They're not allocated to a district.

COUNCILMAN NUTTER: I understand. Why don't you -- that's usually the category, the 99 in book; why don't you put all the 99s together, list them as to what they are.

MR. KAPLAN: Are you talking about '99 or 2000?

COUNCILMAN NUTTER: I'm talking about the designation.

MS. KAPLAN: Oh, oh, the code for the ones that are not in anybody's district, okay.

COUNCILMAN NUTTER: Yeah, yeah. The citywide ones are usually listed as Council District 99?

MS. KAPLAN: Yeah, okay.

COUNCILMAN NUTTER: Okay, so you just put all those together separately, okay?

MS. KAPLAN: Okay.

MR. KAPLAN: I do want to note for the record that, of course, by producing the citation, you have vindicated my original confidence that I was certain that it was true and we would be able to -- and that you would be able to find citation quickly.

COUNCILMAN NUTTER: Okay, I'll take that. Thank you.

What I'd like to talk about in this round is actually a continuation of yesterday's discussion with Miss Bittenbender. And that discussion had to do with project management, not only the CPO, but the other departments that manage projects.

Now, Miss Bittenbender, can you refresh my memory for the record? What departments are you responsible for managing projects? Or, in the alternative, what departments are you not responsible for?

MS. BITTENBENDER: Certainly. It's probably easier to tell you what I don't manage, for starters.

We do not manage Recreation, Streets, Water, Aviation, Commerce, or Energy. We manage or represent 13 different client agencies: Police, Fire, Health, Human Services, OESS, Prisons, Courts, Fleet Management. And then we also do a whole series of operating projects as well. And, as I had said in the testimony, we manage the projects for Center City leases.

Oh, and I'm forgetting Fairmount Park, the Art Museum, and the Zoo recently. We took them over with the Fairmount Park group in July of this year, so they're relatively new projects for us.

COUNCILMAN NUTTER: Okay. Now, your testimony on Page 2, you make mention of the average conformance duration for professional services contracts. You said that prior studies indicated that it previously took 387 days.

MS. BITTENBENDER: That's correct.

COUNCILMAN NUTTER: And now, with CPO, it averages 33 days. That's an over 90 percent drop.

MS. BITTENBENDER: Yes.

COUNCILMAN NUTTER: How is that possible?

MS. BITTENBENDER? We re-engineered the entire system. And not to be too wordy, but it actually started with the budget call process where we put together project profiles for each of the project we would recommend to you. That included full-scope schedules, and we've hired people to do cost estimates.

Once they're passed through Council, we have an RFP system that we do in the spring, where we put out a wholesale of all of our projects at the same time, utilizing a new RFP that we constructed, and we do a major prebid meeting to all of our professional services consultants.

During that time period, we issue to them all of our provider agreements and discuss with them all of the issues of risk management and ask their lawyers to look at these contracts prior to them submitting to us their proposals.

Same thing, you know, with tax I.D. numbers, ACIS numbers, so that we get all of the that business out of the way first.

COUNCILMAN NUTTER: Okay.

MS. BITTENBENDER: And then we put together a very aggressive schedule and put together as well a valuation committee that's comprised of many City departments to evaluate them.

The Law Department has also partnered with us, and we have our own attorney and legal assistant that work with us very early on in the process. And because we've partnered with them as well as with the folks from ACIS, we've been able to execute contracts prior to the fiscal year.

COUNCILMAN NUTTER: All right. Your testimony also indicates that in FY '96, capital project duration was an average of 938 days -- that sounds like it's going on about two and a half years -- down to an FY '99 average of 477 days, which sounds like about 15 months.

MS. BITTENBENDER: Right.

COUNCILMAN NUTTER: And now you're trying to get it down to within the year that the project is funded. And so is your testimony now that a project that is technically funded as of July 1 of whatever fiscal year, you expect it, unless it's some incredible project, to be done by June 30th of the following year?

MS. BITTENBENDER: It's very aggressive, but let me step back by saying that 80 percent of our projects are $500,000 or less, and that does not account for the large One Parkway's or the new police districts, etc.

COUNCILMAN NUTTER: Right.

MS. BITTENBENDER: I think it's something that we have set the limits very high for, Councilman Nutter. And I think that it's probably achievable on a certain percentage of our projects. But it's a goal and a mission that we have put together with our staff in order to expedite the design phase, which we have streamlined it.

And what helps us there is the fact that since we're able to conform our contracts to the start of the fiscal year, July 1s, we start that design process.

COUNCILMAN NUTTER: Why are you able to

do that?

MS. BITTENBENDER: Because we actually have them under contract, our professionals, and we're able to pay them within 30 days of the 1st.

COUNCILMAN NUTTER: Do the operating departments have the same ability to do that?

MS. BITTENBENDER: Um, if they were to put in a plan, to do that -- I don't know their business or what type of contracts that they're putting out, but for us, for architecture and engineering services, we're able to do it.

COUNCILMAN NUTTER: Why isn't everyone following the same process and procedure?

MS. BITTENBENDER: I think for us, because the dollars become available July 1st, we know that our major pot of money is available then.

COUNCILMAN NUTTER: Everyone's dollars become available July 1st, don't they?

MS. BITTENBENDER: Well, operating dollars, yes, but I think it also depends on the term of the contract. We made it a priority to start for July 1st, but I'm not familiar enough with other operating departments and how they operate to be able to answer that question for them.

COUNCILMAN NUTTER: Now, you remember the conversation we had yesterday about contractors who are very good at the bidding process and end up with numerous contracts with the City, and that at times, their work can be affected by the amount of work that they have. They may actually be good contractors, but they only have so much in the way of financial resources to be able to buy materials and equipment or they only have so many personnel who can work on any one job at one point in time.

Now, we had some discussion about that yesterday, and you were trying to explain to us -- although yesterday was kind of not your day and today is, you were trying to explain to us how that process works, what you do by way of disqualifying people either before they get work or during the course of that contractor having the job.

I think I asked yesterday for a list yesterday of people who had been disqualified in the past year, or I may have asked for the past three years. Do you have any material that --

MS. BITTENBENDER: I do. I have some preliminary numbers. You should know that we don't track this information on a data base -- neither ourselves and I don't believe the Procurement Department does either. But I had one of our staff people go through the records last night and quickly put together some numbers for you.

In Fiscal Year '98, we disqualified 42 2 bidders. And to date, in Fiscal Year '99, we have qualified 21 bidders. Now, the information is incomplete in regards that I don't have their names today for you.

But the other thing is that qualified bidders have the opportunity, as we talked about yesterday, to have a hearing in front of the Procurement Commissioner. Any number of the 42 from Fiscal Year '98 the or 21 from '99 could have had a hearing with the Commissioner and been reinstated and eligible bid.

So those numbers aren't completely accurate yet, but it will give you an idea of how many times contractors from Capital Program Office projects have been disqualified.

COUNCILMAN NUTTER: So the 42 are only the contractors that you work with in CPO.

MS. BITTENBENDER: Correct.

COUNCILMAN NUTTER: Do you know what some of the general reasons are for their disqualification?

MS. BITTENBENDER: Well, I also took a look at the form that we use. And we do ask them for a listing of projects that they are currently working on and the dollar and the size.

COUNCILMAN NUTTER: Just City projects, or do you also ask them about private projects they may be working on?

MS. BITTENBENDER: It's total work.

COUNCILMAN NUTTER: Total work, okay.

MS. BITTENBENDER: So it basically is on our opinion about their availability of resources. But it could also be past performance.

And one of the things that was difficult to try to answer for you yesterday is that the easiest mechanism for us to disqualify is based on performance. The reason being is that it's something we can easily document and present to the hearings of the Procurement Commissioner.

And it is also an area within our department. Recognize that we're young, we've been with the City since August of 1996, and we took on the professional services side first and feel that we've been fairly successful.

COUNCILMAN NUTTER: We were all young when we got here.

(Laughter.).

MS. BITTENBENDER: Well, let me just finish by saying the Public Works side is much more difficult because we don't have as much leeway in Public Works because of the things that guide us or bind us, such as the Separations Act, etc.

COUNCILMAN NUTTER: What do you mean?

MS. BITTENBENDER: There are many more restrictions in the way that public dollars are bid for construction. And there is an act called the "Separations Act" that was written, I believe, in 1921, which basically stipulates that any publicly-funded construction project over $4,000 must be publicly bid and must be bid and awarded to the lowest responsible contractor, but also that we must utilize a system called "multiple primes." And the private sector does not need to comply with multiple primes.

COUNCILMAN NUTTER: Multiple primes.

MS. BITTENBENDER: That basically means that each prime or construction trade holds a separate contract with that owner. In the private sector, they would bid a project to a GC. The GC would then sub to electrical and mechanical and plumbing.

In public dollars -- and there are very few states that have not overturned this, and Pennsylvania is one of them.

COUNCILMAN NUTTER: Is this a state law or is this a City Charter issue?

MS. BITTENBENDER: Yes, it is, it's a state law.

COUNCILMAN NUTTER: Okay. And it was written in 1921.

MS. BITTENBENDER: 1921. And the limit is $4,000.

We're one of the few states that have not, in fact, overturned this act. It's a very difficult act from an owner's position to manage construction projects because if your GC in any way delays a project, the other primes on the job, because they're not directly contracted to them, have the ability to scream"schedule delay." And the only person that's, therefore, responsible for paying for those construction delays is the owner themselves.

So there's a --

COUNCILMAN NUTTER: In this case, being the City.

MS. BITTENBENDER: The City of Philadelphia, correct.

And I'm bringing up this issue, again, not to bore everyone, but we have much less control on Public Works. And in order to re-engineer that process, it's going to take a team of the Procurement Department, the Law Department, and the rest of us who actually manage those projects.

COUNCILMAN NUTTER: Well, in your young opinion, do you think that this is something that needs to be changed?

MS. BITTENBENDER: Absolutely.

COUNCILMAN NUTTER: Okay. Are you aware of any efforts to make such a change?

MS. BITTENBENDER: Yeah, there have been single efforts. And I will tell you that we do work very closely with Procurement and Law and have had multiple discussions in the time that I've been here.

I was beginning to tell you a little bit yesterday about the fact that there's an effort underway to put together a procedure for debarment. I think the operating departments and my fellow commissioners really need to get together and discuss a better system of management or disqualification. And you hit on a very good point.

COUNCILMAN NUTTER: Now, when someone is disqualified, does it mean that they're just disqualified for that particular bid?

MS. BITTENBENDER: Yes.

COUNCILMAN NUTTER: Would that contractor on any given day have bids into Recreation, Streets Department, Fairmount Park, some other department or agency, and on that day be disqualified from a Recreation bid but be qualified for a Fairmount Park bid?

MS. BITTENBENDER: Yes.

COUNCILMAN NUTTER: Is that possible?

MS. BITTENBENDER: Yes, it is.

COUNCILMAN NUTTER: Well, how can you be qualified for one and unqualified for another?

MS. BITTENBENDER: It depends on the operating department who was putting out that bid, on their past performance, history with that contractor.

In Fiscal Year '98, of the 42 that we disqualified, 10 were to one contractor. So each time that person attempted to bid on a job, we would disqualify them and have a hearing in front of the Procurement Commissioner.

COUNCILMAN NUTTER: And when you "that contractor," are you talking about that particular operating department?

MS. BITTENBENDER: A singular -- well, it's our department but a singular contractor.

COUNCILMAN NUTTER: Okay.

MS. BITTENBENDER: We disqualify the same person or same firm ten times.

COUNCILMAN NUTTER: Will disbarment

result in someone not being able to bid for a certain amount of time?

MS. BITTENBENDER: Yes. It's a set period of time.

COUNCILMAN NUTTER: Okay. Disqualification just is on a bid-by-bid basis.

MS. BITTENBENDER: Yes, that's correct.

COUNCILMAN NUTTER: And what happens if someone's in the middle of a project and they are not performing or they're not in compliance or their work is shoddy or they have a general slowdown because they literally have too much work and they're causing overall delays in one project or multiple projects because they can't get their act together? What do we do?

MS. BITTENBENDER: If it's an unresponsive contractor, we default them. And we do default, but only on extreme basises (sic).

COUNCILMAN NUTTER: How many people did we default last year?

MS. BITTENBENDER: I don't have that number for you, but our staff are putting that together for the rest of the members or will be providing it to you.

COUNCILMAN NUTTER: Okay. And then what happens to the project if the contractor's defaulted?

MS. BITTENBENDER: Their bonding company must step in and provide a contractor who completes the work.

COUNCILMAN NUTTER: Within any particular amount of time?

MS. BITTENBENDER: Oh, yes. All of that is discussed and stipulated up front.

COUNCILMAN NUTTER: Does defaulting result in the project -- defaulting on one contractor then causing the bonding company to come in with another, does that generally result in the project getting completed relatively on time, or does that tremendously delay the completion of the project?

MS. BITTENBENDER: No. And it's one of the reasons that many of the departments -- and ourselves included -- don't like the defaulting process because it does, in fact, delay the process.

COUNCILMAN NUTTER: I didn't hear you.

MS. BITTENBENDER: It does delay the

process.

COUNCILMAN NUTTER: Okay. Is that a part of the current discussion about how to fix that as well? I mean, why can't we have someone step in immediately and take care of whatever needs to be taken care of?

MS. BITTENBENDER: Is the Procurement Commissioner here? Lou, can you help me out with some of the regulations?

(Louis Applebaum comes forward.)

COMMISSIONER APPLEBAUM: Louis Applebaum, Procurement Commissioner.

And you were doing quite well.

(Laughter.)

MS. BITTENBENDER: Thank you.

COMMISSIONER APPLEBAUM: Councilman, what was the last question?

MS. BITTENBENDER: We're talking about the defaulting. And is there any way to be able to include the process. . .

COMMISSIONER APPLEBAUM: There's been a lot of discussion about prequalification and defaulting etc. and etc.

Would you like me to run down how the

process works? This is all part of the Title 17 of the Procurement Department and the City of Philadelphia Code and a prequalification program that's been in place for every Public Works contractor who wants to bid on a Public Works project must first prepare a questionnaire that goes into quite a lot of depth of the current jobs that they're working on, jobs that they have completed, their financial statement, background, history, all kinds of questions about legal violations etc. and etc.

Before they can bid, they must submit this document to the operating department who is responsible for the particular project. As we stated before, many of these go to the Capital Programs Office, some go to Recreation and the other departments who aren't under their control. The departments then review the documents and make a determination as to prequalify or not prequalify.

If they make the determination not to prequalify a vendor, we are notified. The Procurement Department gets a list of all vendors on a particular project who are prequalified and those who are not.

The ones who are not receive a letter from us telling them that they are not prequalified to bid on job number 1, 2, 3, 4, and we tell them the reasons. We then tell them they have 48 hours to notify the Procurement Department if they would be interested in having a hearing, a formal hearing with attorneys, or an informal hearing without attorneys.

And if they elect to have a hearing, we, the Procurement Department, give them a hearing. And the hearing is -- the rules and regulations, as I mentioned before, are in Chapter 17-100 of the Philadelphia Code.

COUNCILMAN NUTTER: Right.

COMMISSIONER APPLEBAUM: And the hearing is conducted in front of a three-member panel. The three-member panel consists of the Procurement Commissioner and two management-level employees of the City of Philadelphia.

The operating departments are represented by the City Solicitor's Office, and the Procurement Department is also represented by the City Solicitor's Office, different attorneys.

At the day of the hearing, the parties convene. The City operating department indicates to the panel in this open hearing the reasons for not qualifying that bidder for that project. They present their evidence, photographs, documentation. They'll bring in other departments who might give evidence as to why they feel that contractor should not be prequalified.

The contractor is then given his opportunity to respond, present his evidence. And during this hearing, the three-member panel question the vendors, we question the City. And at the end of the day, after the hearing is completed, the three-member panel then meets privately, and we either agree with the operating department and do not allow the vendor to bid, or we come to the conclusion that the operating departments are incorrect, and the vendor should be allowed to bid. And when we then make that determination, we notify the vendor, and they might bid or they might not bid.

So that is the total process that happens for every bid, every Public Works project.

COUNCILMAN NUTTER: So does that mean

when Miss Bittenbender tells me that in FY '98, there were 42 companies that were disqualified out of the CPO process, does that mean that you had 42 hearings for those companies and then there were a whole host of other hearings for people who may have been disqualified by Recreation or Fairmount Park or other departments?

COMMISSIONER APPLEBAUM: Correct. Of the 42 that were disqualified, I don't believe that every one requested hearing. So maybe 10 requested hearings.

But in addition to the 42 who were not qualified, there are a lot more for other projects by other departments who also were not qualified.

COUNCILMAN NUTTER: Okay. Can you get us a complete list of all of those that you're aware of, including the 42 last year?

COMMISSIONER APPLEBAUM: Based on yesterday's hearings, the Procurement Department received a notification this morning, and we are putting together a complete list of three years of all of the vendors who were disqualified, the vendors who requested hearings, and the results of those hearings. So we are gathering that information for you.

COUNCILMAN NUTTER: I mean the goal here is, one, certainly not to try to figure out mean and nasty ways to deny people work. I mean, if people want to bid on City of Philadelphia work, hopefully, they'll do a good, job life goes on.

My concern, and I'm going through one of those experiences right now, is where someone clearly is under-performing, may be stretched too thin. We're in the middle of a project, and so you're left with the dilemma of, do we try to hold their hand and baby them along and push them and shove them and encourage them to do what they're supposed to do?

Or do you just drop them and take the risk of trying to have someone step in and fill their shoes and what are the legal ramifications of all that and what is the time ramification of making that decision? Or do you just put up with some of the crap that we deal with, with some of these contractors?

COMMISSIONER APPLEBAUM: Councilman, it is our preference not to default them and have to resort to dealing with bonding companies.

COUNCILMAN NUTTER: Why?

COMMISSIONER APPLEBAUM: Because when we do that, no one wins. It's a time-consuming process, lawyers are brought in. There's an awful lot of time that is wasted rather than get the project done.

So I have found that that's not a viable, good solution to the problem.

COUNCILMAN NUTTER: When a person wins a bid, are they given a date certain, you know, barring a tornado, act of God, or something like that when the project has to be done?

COMMISSIONER APPLEBAUM: The specifications all indicate the time that it should take to compete the job.

COUNCILMAN NUTTER: And what's the penalty for not meeting the requirement?

COMMISSIONER APPLEBAUM: As I know of, there are no specific penalties in most of the contracts. Some of them may have liquidated damages, but that's not the normal that I know of.

COUNCILMAN NUTTER: Is it the experience in maybe the private sector that a person is given a job to do, somebody's trying to, you know, open a building, they've got tenants that need to move in by "XYZ" date. Is there some experience out there where if you're not done by a certain date, it starts to cost you money?

MS. BITTENBENDER: It's called "liquidated damages."

COMMISSIONER APPLEBAUM: That's liquidated damages. As I said, we -- in some contracts we have -- and in most, I don't believe we do it. You might have read in some contracts there's liquidated damages for failure to perform by a date. There's also bonuses.

COUNCILMAN NUTTER: Right.

COMMISSIONER APPLEBAUM: Where if you quickly, you get a bonus. If you remember, I think the Schuylkill Expressway had that.

MS. BITTENBENDER: Right, and One Parkway also had them.

COMMISSIONER APPLEBAUM: And at one point, Parkway had that too. So in some cases, we do have --

COUNCILMAN NUTTER: Is the Schuylkill Expressway finished?

COMMISSIONER APPLEBAUM: Excuse me?

COUNCILMAN NUTTER: Is the Schuykill Expressway finished?

COMMISSIONER APPLEBAUM: I -- I don't know.

COUNCILMAN NUTTER: Just a joke, Commissioner.

COMMISSIONER APPLEBAUM: I think it is.

COUNCILMAN NUTTER: But why don't we have performance either incentives or damages for nonperformance on the bulk of our contracts?

COMMISSIONER APPLEBAUM: I would agree that that would be a good idea to include in some of the specifications. We have not made that a definite policy. This is one area that we could.

COUNCILMAN NUTTER: Are we legally prevented from doing that?

COMMISSIONER APPLEBAUM: Not that I know of, no.

COUNCILMAN NUTTER: Okay. Is it something that you're going to look into?

COMMISSIONER APPLEBAUM: We certainly could, yes. That's one of the items that --

COUNCILMAN NUTTER: Do you think we

could get better compliance from people if there was some economic penalty for nonperformance or by missing a deadline?

COMMISSIONER APPLEBAUM: I believe there would be some minor improvements. But I think the key to the success is to select and prequalify good vendors, which -- realize, a vendor wants to get the job done 'cause that's when he gets paid.

COUNCILMAN NUTTER: Well, I personally want to --

COMMISSIONER APPLEBAUM: And the key to his success is doing a good job up front and getting the right vendors, prequalifying the right vendors and looking at vendors who have a bad track record or who have too much work at the time and not qualify them.

Now, it's interesting, we had just established a new program for the Water Department. The Water Department, we had have that open six or seven at a time, lettings for water and sewer jobs.

The industry out there is a small number of vendors who bid on those. The problem has been that some of the vendors would come in and they'd bid on a lot of them and they'd be awarded too many at one time and they got into trouble.

COUNCILMAN NUTTER: Right.

COMMISSIONER APPLEBAUM: We have now established a brand-new program that's starting as we speak whereby we will have one day where we're going to have six bid openings -- they call them "a letting" -- six water and sewer bid openings at one time.

The envelopes from the contractors for each bid are put on a table. The first envelope, the first job is opened. The numbers are read off. If a company wins that bid, he may decide and determine that he wants to withdraw his envelopes from the next group of bids so that he can never use the complaint that "I ended up winning too many and I can't do them all." So this is --

COUNCILMAN NUTTER: Well, why would someone do that?

COMMISSIONER APPLEBAUM: Well, they would do that because they put the envelopes in, not knowing which they might win.

COUNCILMAN NUTTER: Right.

COMMISSIONER APPLEBAUM: So they put one in for each job.

COUNCILMAN NUTTER: No, I understand that, but why would they withdraw from the rest of the ones down the line?

COMMISSIONER APPLEBAUM: Because they do not have the workforce, the manpower or the finances to do all six. So they win one, they might withdraw from the next. So they might win one, don't do anything, win the second, and then come to the conclusion that they should withdraw from the others.

Now, what this is doing is giving the Water Department and the Procurement Department the ammunition that a water-and-sewer vendor cannot complain that they received too many jobs at one time and, therefore, delay their jobs. That should not happen under this new process.

COUNCILMAN NUTTER: Okay.

COMMISSIONER APPLEBAUM: We also have started another interesting item, a debarment process. Up to now in the City of Philadelphia, we have not had a formal debarment process. We just completed that program. It's going to be advertised, I think theory going to have hearings -- not City Council hearings, but public hearings. So there will be a process in place, that vendors -- Public Works and others -- who are poor performers, for whatever reason, will be first suspended for X-number of days and then can be debarred for up to three years or five years, I'm not sure, from ever bidding on any kind of City of Philadelphia project.

So we are trying to do two things at one time: we want to increase the playing field to get more people -- so we have more competitive prices; but at the same time, we're trying to let the vending community know that they're not going to get away with murder, as they have in the past.

COUNCILMAN NUTTER: You're getting tough here, Lou, at the end of the --

COMMISSIONER APPLEBAUM: I'll give you one great story that we just came into, and I'm not going to mention the name of the economy.

COUNCILMAN NUTTER: Please don't.

COMMISSIONER APPLEBAUM: But there's a

company that does repair services for us, and they repair products. And part of the bid is to charge us per pound for material that goes into completing the product.

And we had been receiving invoices from this company. They would take a product and would charge us for 100 pounds of material to fix it. We then went -- or the Operating Department went to the catalog and found if you bought this product brand new, what weighs, and it weighs about 20 pounds, and they're charging us for 100 pounds of material to fix it, to go into it, so --

COUNCILMAN NUTTER: It shows you that more is always better.

COMMISSIONER APPLEBAUM: So, you know, it's a constant battle, and we try our very best to service, supplies and equipment, and Public Works contractors who are --

COUNCILMAN NUTTER: Can you, Lou, in conjunction with Miss Bittenbender and the various representatives from the Law Department, put together a piece for us on this particular issue?

COMMISSIONER APPLEBAUM: On the debarment issue?

COUNCILMAN NUTTER: Debarment, disqualification, legal ramifications of what happens when you do any of these various processes. I'd like to know what the City Administration directly plans to do vis-a-vis the State about the 1921 statute and the $4,000 limit. And, lastly, the date certain for completion, and penalties for lack of completion of projects, as well as a date certain by which the project's supposed to be done.

I am intrigued by the processes, as laid out by Miss Bittenbender, which seems to have her projects starting, or some part of the projects starting literally in the previous fiscal year, anticipating the receipt of dollars come July 1 of the next fiscal year and things kind of hitting the ground running, and whether or not that particular process can be expanded throughout the rest of the government.

I mean I guess I'm now concerned that we have one part of the government doing projects and procurement of services in one way, and everybody else either doing them another way or their own way or the way they've always done them. I won't make a judgment as to whose is better than whose, but it just seems to me that it makes a lot more sense that everybody's doing the same thing and, hopefully, it's improving the system.

COMMISSIONER APPLEBAUM: We will try our very best. That was a lot.

COUNCILMAN NUTTER: It's a lot of stuff. I'm glad you came over today, Lou.

COMMISSIONER APPLEBAUM: We have attorneys here today from the Law Department who will help us and we can put that together. I think what you were talking about is a process that is used with professional service projects.

COUNCILMAN NUTTER: Right.

COMMISSIONER APPLEBAUM: That expedited method that they have which --

COUNCILMAN NUTTER: It has a lot to do with the design.

COMMISSIONER APPLEBAUM: Right, and that has a lot to do with the ACIS program that's new, that's just been implemented the last few years, and that helps that.

COUNCILMAN NUTTER: Okay, all right.

COMMISSIONER APPLEBAUM: We'll try our best to get back to you on most of that.

COUNCILMAN NUTTER: Thank you. It will go to the Chair and then get out to us.

COUNCIL PRESIDENT VERNA: Thank you.

COUNCILMAN NUTTER: Thank you very much, Madame Chair.

COUNCIL PRESIDENT VERNA: Councilman Nutter?

COUNCILMAN NUTTER: I'm done.

COUNCIL PRESIDENT VERNA: Are you finished?

COUNCILMAN NUTTER: Yes.

COUNCIL PRESIDENT VERNA: I see that we're spending approximately $167 million in capital funding in FY 2000 on the airport expansion.

The last time the airport had an expansion, many of the neighboring businesses had to be relocated. Is this the case in this expansion? Would that hold true here? Has this proposal gone to the Eastwick PAC, do you know?

MS. KAPLAN: I don't know. I don't think that this is going to require that kind of relocation. There was an environmental impact process that went on, but perhaps someone else would like to comment from the airport.

COUNCIL PRESIDENT VERNA: Do we have somewhere here from the airport?

(Charles Isdell comes forward.)

COUNCIL PRESIDENT VERNA: Good afternoon.

MR. ISDELL: Good afternoon, President Verna. I'm Charles Isdell, the acting Director of Aviation. And there are no relocations of any businesses planned as part of the expansion program described in the budget today.

COUNCIL PRESIDENT VERNA: Did we have an environmental impact study?

MR. ISDELL: Well, I think there are -- there are a number of different projects included in the appropriation, and each one of them will have an environmental impact study done before the transactions are completed.

And I didn't want to forget to respond to your question about the Eastwick PAC. We've contacted Eastwick PAC recently, and we will be attending their upcoming meetings in keeping them abreast of the impact of our upcoming projects both in terms of noise and traffic and any other impact, which we hope some of which will be positive certainly for the community, and we certainly will do that aggressively and proactively.

COUNCIL PRESIDENT VERNA: When do you anticipate that this work will start?

MR. ISDELL: Well, the biggest projects, of course, are scheduled to start in April of this year our two new terminal buildings. And they will probably -- the total package will probably take two to three years.

COUNCIL PRESIDENT VERNA: Okay, thank you. Thank you.

MR. ISDELL: Thank you.

COUNCIL PRESIDENT VERNA: Line item 39, I note that we are spending $1.8 million in FY 2000 on site acquisition for the Avenue of the Arts South. What sites are you anticipating acquiring, and what uses are you anticipating for these sites?

MS. KAPLAN: Part of this, I think is that the City had made a certain commitment toward the purchase of the site that was acquired for the Orchestra Hall for Art PAC, and we did not have enough money from previous capital allocation to pay for that. So part of it is going to that.

There is also another portion of it that is going to a site at Broad and South that is going to be used for elderly housing. I think it's kind of the second phase of --

COUNCIL PRESIDENT VERNA: Is that on the south side or the east side or west side?

MS. KAPLAN: It's on the northeast corner of Broad and South. I think it's the second phase of a project for the Sons of Italy, that it will be elderly housing or some form of elderly housing or it may be market-rate housing or subsidized housing.

And through PIDC the site is to be acquired now. I believe that money will be paid back if this project goes ahead. If the project doesn't go ahead, it was deemed that it would be a good idea for us to control this site anyway for the Avenue of the Arts and to be able to either resell it at a later point to another developer or use it for some arts project that we might need it for at sometime in the future.

COUNCIL PRESIDENT VERNA: The First Judicial District. I note that once again on Page 198 of the Five-Year Plan, the City has refused to budget money for the courts system in the hopes that the State legislature would fulfill their obligation to fund the courts pursuant to the decision of the State Supreme Court.

Since we have refused to put their operating budget into the plan, why are we spending money on the capital improvements?

MR. KAPLAN: That's an excellent question. There are two reasons: one is that regardless of the fate of the debate between the State and the City and the other counties over court funding, we will own the Family Court building, which is the largest single project funded in that line.

COUNCIL PRESIDENT VERNA: And eventually, would the State take over that building?

MR. KAPLAN: Well, that would be the second part of my response, which is that most of the proposals we've seen for State court funding, because the variety of different arrangements that there are in different counties for housing the courts, in most counties, the courts are either in a county building, or the counties have traditionally provided some sort of location for the venue for their offices and courtrooms.

It's been assumed in most cases that all the State might choose to -- the eventual deal might have all the State reimbursing the counties for essentially a rental payment for those facilities, that in most cases, the courts would stay in buildings they're in now, at least in the short term.

For example, here, with the construction of the CJC, we're taking about -- I've forgotten the exact number but it's somewhere around a $150 million facility. For the criminal justice part of our courts, we have the courts in this building, we have the courts in that building. All of those are owned by the City.

Obviously, we could sell the State the criminal courts building, but we wouldn't sell them the portion of City Hall that they occupy.

So the assumption has been, for

purposes of the budget, that if there were a court funding plan, that we would probably be reimbursed for providing office space for them in all the various locations. And that, therefore, on top of the fact that we own the building and it needs renovation, that whatever happens with court funding, we will need to have a modern court facility for Family Court anyhow.

COUNCIL PRESIDENT VERNA: On Page 242 of the Five-Year Plan, it states that L&I housing inspectors have been retrained on stricter enforcement provisions in the new Property Maintenance Code.

Can you be a little more specific about these new provisions? I note that last year we added ten housing inspectors, and the amount of inspections really declined. Can you give us an account of why that happened?

MR. KAPLAN: I think that question would best be answered from someone from L&I -- do we have a -- I think because they don't have a large capital budget --

COUNCIL PRESIDENT VERNA: Is someone here from L&I, please?

MR. KAPLAN: However, that would be a legitimate, I think, question for their operating budget since the housing inspectors are funded from the Operating Budget and the responsibilities they fulfill are Operating Budget responsibilities. So we'll make note of the question and have them come prepared to the hearing to answer that.

COUNCIL PRESIDENT VERNA: Okay. The Chair at this time recognizes Councilman Ortiz.

COUNCILMAN ORTIZ: Thank you, Madame Chair.

Miss Bittenbender, on Page 2 of your testimony, you say that they consistently maintain the anti-discrimination policy by increasing the percentage of minority business participation. Do you have a list of those companies? And if you could do that, could you make that available to the President of -- in terms of professional services?

MS. BITTENBENDER: Certainly.

COUNCILMAN ORTIZ: And the criteria in terms of professionals that you use for selection of bidders and so on?

MS. BITTENBENDER: Absolutely.

COUNCILMAN ORTIZ: And how you do that.

MS. BITTENBENDER: Sure.

COUNCILMAN ORTIZ: And that's for professional services.

We have that -- since its creation in August 1996, your office has overseen the completion of over 300 projects equaling $453,695,512. That includes projects that have taken all the way from the professional service of design, right?

MS. BITTENBENDER: Yes, that's correct.

COUNCILMAN ORTIZ: We would like to see, you know, the companies and the subcontractors in terms of minority participation.

MS. BITTENBENDER: For all 300?

COUNCILMAN ORTIZ: For all 300 projects. Yeah, I would like to see what has been the minority participation in the professional contracts in this huge amount of money that we have given in terms of professional contracts.

I will like to see also in terms along those lines, the minority participation in the building and the contracting -- the subcontracts that have gone out to minority contractors in terms of construction and so on down the line.

MS. BITTENBENDER: This is going to take us longer than five days to compile.

COUNCILMAN ORTIZ: Well, we have until -- the budget process does not end in five days, right, Madame President?

COUNCIL PRESIDENT VERNA: You're right.

COUNCILMAN ORTIZ: But I really would like to see the participation of minority contractors in terms of this process of the buildings and so on that have taken place. It's following along the lines of Councilman Nutter that he asked and if you can give us that.

MS. BITTENBENDER: Certainly.

COUNCILMAN ORTIZ: All right. One other question that I have, and it's something that is quite dear to me because John Anderson began it and worked on it while he was here in City Council, and that's the Public Access Corporation.

And we had an agreement with the cable companies of certain monies that were supposed to be given to the City, and we -- and then there was supposed to be capital projects being built in terms of studios and so on. That has never happened. Never happened. And, in fact, the Public Access Corporation, although an ordinance was passed by City Council, it has never been established.

And I'd like the Administration to give us a reason why the Public Access Corporation, which would be a great benefit to the City, which is something that the cable companies promised capital dollars to construct and build studios. I'd like to have an answer as to why we're not following up and getting those monies from the cable companies in order to implement the conditions.

Of the contract that we entered into in 1984 on. That's information to be gotten and that's the question that I would like to have answered. I don't think you have an answer right now.

MS. BITTENBENDER: (Shakes head.)

COUNCILMAN ORTIZ: But I would like to see an answer come from the Administration.

MR. KAPLAN: You're correct, I don't

think we can answer that right now, but we will provide an answer.

COUNCILMAN ORTIZ: Thank you.

COUNCIL PRESIDENT VERNA: You're welcome.

The Chair recognizes Councilman Rizzo.

COUNCILMAN RIZZO: Thank you, Madame President.

I'd like to go back to something that I believe you bought up, Madame President, earlier. It's line item 103, One Parkway, Elevator Upgrade, $1.5.

If a person home, they get a home inspection. When we bought this building, did we know that after we bought it, that we would have to spend $1.5 million to upgrade elevators? And if we didn't, why didn't we? And do we have any recourse to go back to the person that sold us this, if we have a need already to upgrade the elevators for $1.5 million.

MS. BITTENBENDER: Yes, we did know that eventually we would have to replace the elevators. And similar to when you buy a home --

COUNCILMAN RIZZO: Eventually?

2/9/99 WHOLE COMM. - Budget Hearings

MS. BITTENBENDER: Yes.

COUNCILMAN RIZZO: We're talking about we've been in this building six months, not even that.

MS. BITTENBENDER: Right. It was a six-year, I believe and I'd have to go back and check the reports, but I believe the reports stated that the elevators should be in good shape for six years. That report was done -- and, again, I'd have to go back and verify the date.

So, yes, we did anticipate and know that eventually we would have to replace the elevators.

COUNCILMAN RIZZO: Six months and six years is a little off the target.

MS. BITTENBENDER: Well, six months from the date the report was actually issued.

COUNCILMAN RIZZO: You just said six years.

MS. BITTENBENDER: I'm sorry -- six years after the date of the report was issued, and I think the report was done in -- I don't know, it was before my time, but I think it was '94.

COUNCILMAN RIZZO: Nowhere -- I can't

recollect, but I sit on a committee, Public Property, but I never heard that we would need to spend an additional $1.5 million on upgrades to the elevator system in that building.

Do we have any recourse at all? Do we have any recourse at to go back to Bell Atlantic and say, Hey, look, we bought a building that the elevators aren't adequate.

MS. BITTENBENDER: Councilman Rizzo, we were very aware of the fact that the elevators were 30 years old.

COUNCILMAN RIZZO: Next subject. I understand that we're about $70 million short in fixing City Hall. I'm tired of explaining to people and having people ask me if it's safe to come in to this building. Because I understand it's a $100 million project to put a new roof on this place, and tourists really truly ask me, What's with City Hall, it looks like a dump.

We have $30 million, I believe, budgeted, and I don't see 70 million additional anywhere.

MS. BITTENBENDER: Okay. Just to answer the first part of the question, it's more than just to replace the roof. Councilman Rizzo. We're also going to be stabilizing the entire shell of the exterior, we're going to be cleaning all the cast-iron elements, we're going to be rebolting them onto the facade.

So it's more than just a roof project, and the dollars are spread over seven years. I think it's like 34 million now.

MR. KAPLAN: While they're looking for the detail, the City Hall roof project overall is well over $100 million. And, obviously, we could not accommodate that all in one budget year.

There's approximately -- and we'll have to check the exact numbers, but there's somewhere between 32 and $34 million currently available in money already appropriated for City Hall, which we are proposing to use as the first phase of the project, and we'll be able to discuss that in a little more detail.

Because of that, we will not need additional funding until FY 2001. And if you look on Page 103 of the program, you'll see that in Line 4 for City Hall Renovations, there's approximately $65 million over the life of the plan. And then there's actually two more years, I believe, beyond that. So there's somewhere in the range of 120 to $130 million over the entire length of it.

And it's a fairly daunting project, but Emily may want to speak more about the details.

MS. BITTENBENDER: Well, I can come back and discuss further details. We actually just brought on board the Vitetta (ph.) Group, who has worked on the City Hall project since the beginning of the administration in 1991. We recently brought them back on board again to put together a total scope of the project in cost estimates. These are preliminary estimates that they, in fact, also helped establish.

But it's -- as I said, it's roof, it's exterior stabilization, it's structural, it's cleaning of the cast iron, it's re-assembling or re-attaching those pieces. And so it's a major effort.

COUNCILMAN RIZZO: My last question, Line No. 104, City Hall Telephone Switchboard Replacement. Are we serious? We're going to replace a switchboard? There's no look at another way to do at business?

MS. BITTENBENDER: I think this is in connection with 800 megahertz.

Do you want to take that one, Vince?

(Vince Costello comes forward.)

COUNCIL PRESIDENT VERNA: Good afternoon.

MR. COSTELLO: Councilman, it's really a misnomer. It's really a replacement of the existing telephone console that the switchboard operators use. The existing consoles are over ten years old now.

And in conjunction with the move of Public Property communications from the sixth and seven floor in about a year now, we're asking for additional money to upgrade the old vintage consoles that the operators are now using.

COUNCILMAN RIZZO: Mr. Costello, has there been any consideration of a better way to do business, coordinate the telephone communication network.

Telephone operators, in all due respect, just don't seem to be the way to enter the next millennium -- not with no disrespect for what they do. But I'm hoping that we're just not carrying a technology forward that should be revisited and looked at to a different way to do business. I would hope you're just not cookie stamping out the same way we do business going forward.

I think we've had this conversation before, that there may be a way to centralize all of us and do it differently. I would hope we're just not going to spend half a million dollars to replace technology that, in my opinion, is antiquated.

MR. COSTELLO: There was some consideration given some years ago, Councilman, to perhaps at least cutting back some of the shifts that the switchboard operators make, to making the switchboard 9-to-5 operation, as some other cities have done.

But in consideration doing that, someone has to take the calls after hours. And that's always been a decision made by successive administrations that it's better to have a minimum number of people in place from 5 o'clock throughout, until the next morning, rather than having calls dispersed all over the City.

COUNCILMAN RIZZO: I'm not suggesting that that's not a good way to do business. But I'm suggesting that we have a fire department, that we have a Police department that has 24-hour operations. Has anyone talked to see if we can't get together and again save the taxpayers of this city some money instead of having stand-alone operations in almost every operating department in this government?

I mean, come on now, let's start talking to each other.

MR. COSTELLO: There has been further discussion about combining the call-taking and dispatching operations of police, fire, and municipal. That does require, however, a centralized location, or at least one location which the City does not have at the present time. As you're well aware, there's really to room at the Police Administration building or Police Headquarters, and there's very little room at Fire and very little room here in City Hall.

COUNCILMAN RIZZO: Well, I would appeal to you or to your commissioner, before we spend a half a million dollars and have to spend another half a million ten years from now, that we look at this entire -- this big picture to see if there isn't a better way to utilize the people that we have.

MR. COSTELLO: Some cities have done that, Councilman, but they never really combined the public safety and the municipal functions.

COUNCILMAN RIZZO: I'm not here, you know, developing a plan; I'm developing a concept, which I can't believe that we can't save some money and do it a better way.

MR. COSTELLO: Thank you, sir.

COUNCIL PRESIDENT VERNA: Are you finished, Councilman?

COUNCILMAN RIZZO: Thank you, Madame President.

COUNCIL PRESIDENT VERNA: You're welcome.

The Chair recognizes Councilwoman Miller.

COUNCILWOMAN MILLER: Thank you, Madame Chair. I have two questions: one for the Recreation Department and one for the Streets

Department.

I notice that in this year's Capital Budget, swimming pool improvements are listed. And I just wanted to get on record that the Awbury Pool that was not in last year's budget nor this year's budget is in fact -- I've been told it's in its design stage.

MR. KAPLAN: Councilwoman, funds for renovating the Awbury Pool were incorporated in the FY '98 Capital Budget, and those funds are still available. And to my understanding, that renovation is currently in the design stage at Recreation.

COUNCILWOMAN MILLER: Okay. It must have been included after this was printed because last year, I couldn't find it.

MS. KAPLAN: It was two years ago that the funds were included.

MR. KAPLAN: This is the FY 2000 budget, so you have to go back two to find it. We can find actually the particular page, and it will also, you know, appear when we propose the carry-forward of current projects into 2000. You'll be able to see it more clearly. This just includes the 2000 projects.

COUNCILWOMAN MILLER: Okay. Well, I meant the one last year that was printed.

And I'd also like to know if the allocation for the Streets Department under Traffic Control, if that includes money for school flashing lights?

MR. KAPLAN: No, it does not.

COUNCILWOMAN MILLER: Okay. Well, maybe we can talk a little later, but that's a really big issue with lots of parents and lots of schools.

MR. KAPLAN: I know that, clearly, there are a number of Councilmembers that have raised that issue. I believe that the original -- there's been a fair amount of discussion between members of City Council and member of the Administration on this.

I think the Administration believes that it made a commitment to funding a certain level of flashing lights. That may be something that we can, as you suggest, talk about further.

COUNCILWOMAN MILLER: Okay, thank you. Thank you, Madame President.

2/9/99 WHOLE COMM. - Budget Hearings

COUNCIL PRESIDENT VERNA: Thank you.

Do you have any indication as to how much flashing lights will be approved for installation?

MR. KAPLAN: Originally -- my memory may fail me here, but originally, I believe that $500,000 was made available to do school flashing lights on essentially a first come/first served basis.

Based on individual Councilmembers' requests and those which were able to be completed, I believe 44 projects were completed. So the average cost is somewhere around $11,000, $12,000.

COUNCIL PRESIDENT VERNA: So for the members that are here listening to you today, should we send our list down today so that we could be first come, first served?

MR. KAPLAN: I believe that the Streets Department has been keeping a continuing list.

COUNCIL PRESIDENT VERNA: Okay. Councilwoman?

COUNCILWOMAN MILLER: They may be keeping a list, but I don't think they've made a commitment to fund school flashing lights.

MR. KAPLAN: That is correct. The Administration believes its original commitment was to fund $500,000; and that beyond that, individual Councilmembers would fund those projects.

COUNCILWOMAN MILLER: Through the Capital?

MR. KAPLAN: Yes.

COUNCILWOMAN MILLER: We can talk about it later.

MR. KAPLAN: Absolutely.

COUNCIL PRESIDENT VERNA: Thank you. I understand the Administration has already agreed to that, Councilwoman.

I just have one last question. The Capital Program contains funding requests in excess of $672 million in new tax-supported general obligation bonds during the period FY 2000 through FY 2005.

What is the City's current debt-incurring capacity, and what do you anticipate it will be in FY 2005?

MR. KAPLAN: I should know those

numbers off the top of my head but I don't.

The current capacity, as I had mentioned earlier, is in the range of 1.4 billion, I believe, the last time we calculated it. Subsequent to our recent issue, we had somewhere in the range after about $350 million of capacity remaining. Obviously, that changes each year, depending on how much principal we pay off and what the assessment values are for the City.

It's our estimation that somewhere in the range of 2005, the City probably would hit the debt ceiling. And, frankly, the question isn't whether we will or not; it's just when. At some point in the middle of the next decade, the City will need to entertain a number of alternatives for addressing that issue.

One reason we have tried to maintain capital spending at the $125 million-per-year level for general obligation funding is that -- the other being the affordability. As you know, Philadelphia's considered to be a city which has a very high proportion of debt to begin with.

COUNCIL PRESIDENT VERNA: Thank you. I also note that $17.5 million is earmarked for streets to be reconstructed. I'm sure that many of the District Councilpeople would like to know what streets are scheduled for reconstruction.

If you could send us a list -- if the Streets Department could send us a list, I will make certain that every District Councilperson has it.

MS. KAPLAN: I'm sure the Streets Department can do that.

COUNCIL PRESIDENT VERNA: Thank you.

The Chair recognizes Councilman Rizzo.

COUNCILMAN RIZZO: Thank you, Madame Chair.

Could someone at that table explain to me the relationship that we have with SEPTA. And have all of these -- on Page 35, these budgeted items, been reviewed to see if we need -- to see that SEPTA doesn't have more responsibility for some of these improvements?

I'm -- sometimes it's not clear to me why we have so much responsibility to do as much as we do for the SEPTA.

(Denis Goren comes forward.)

MS. GOREN: Denise Goren, Deputy Mayor,

Transportation. Good afternoon.

COUNCIL PRESIDENT VERNA: Good afternoon.

MS. GOREN: SEPTA's Capital Budget is primarily financed out of federal grant funds which require matching dollars. The City's match is usually so highly leveraged that for every dollar we put in, $27 for capital funds come from other sources.

These projects which are listed here are those capital projects which go through a fairly long iteration, through the regional planning process as well as our review as to projects which we believe keep intact the infrastructure of our transit system the City is a relatively very small partner in investing in these projects.

There are additional capital projects that SEPTA funds that are a part of the City's system through other resources for which our capital dollars are not included. Some of those funds come directly out of fares.

COUNCILMAN RIZZO: Are these projects reviewed to make sure that we're paying our fair share and not being --

MS. GOREN: Each project is reviewed not only from a fiscal standpoint, but actually from an engineering perspective. All plans, specifications, and meetings are reviewed either by representatives of CPO and my staff and through monthly meetings with City planning members as well looking at these priorities and projects in terms of what the expenditures are, what the useful life of the infrastructure is. And that's done, of course, not only at the local level but at every level of government for this Capital Program.

COUNCILMAN RIZZO: Line Item 109. Are you telling me that this $2.25-million-plus here, that this citywide SEPTA Regional Rail Division Bridge Improvement Program is also being funded by federal and SEPTA dollars?

MS. GOREN: Oh, absolutely. But we are finding that as I take my glasses off --

COUNCILMAN RIZZO: Page 35, Page 35 of the Capital Budget.

MS. KAPLAN: If you look in this book, I think you'll see the other --

2/9/99 WHOLE COMM. - Budget Hearings

COUNCILMAN RIZZO: Yeah, yeah, I've already looked in that book; but I'm working n this book.

MS. KAPLAN: Well, it's the same project. I think the smaller book doesn't show the other sources of funding.

So if you look at Page 109 in the larger book, you will see that for each of the subprojects, you can see that the City's share, which is represented by "CN" is a very small portion of all the funding that's allocated.

You see Page 109?

COUNCILMAN RIZZO: Mm-hmm, got it.

MS. KAPLAN: Okay. The first subproject, Regional Rail Division Bridge Improvement Program -- 175,000 of City money and then all of the other money is either federal or State or other sources. So we're getting, you know, for $175,000, we're getting over $7 million of funding toward the project.

And if you go through the others, they're pretty much the same way. So that we're spending, you know, a very small portion of City dollars to leverage a very great deal in terms of federal and State funds.

And then, as Denise Goren indicated, there are also projects that are in SEPTA's capital program that you don't see here because we're not contributing anything to those projects, and they're also benefitting the City portion of the system.

COUNCILMAN RIZZO: So where can you go without having a book in the right hand, a book in the left hand, and running over to SEPTA to see all of this -- the bottom line, I hate to use that word, but where do you get the bottom line?

MS. KAPLAN: Well, if the thick book tells you all the sources of funding, what you don't see here are the projects that are in SEPTA's capital program that are not in our capital program; we could get you that information.

MS. GOREN: I'd be delighted to get a copy of SEPTA's capital program. They, in fact, have not finished their capital budget process for this year. In fact, they're just initiating it right now totally.

And as soon as that draft's together, I

can get it to you. That will show projects such as the total rehabilitation and reconstruction of the Frankford elevated in West Philadelphia, which isn't listed here.

COUNCILMAN RIZZO: Okay, thank you. Thank you, Madame Chair.

COUNCIL PRESIDENT VERNA: You're welcome.

The Chair recognizes Councilman Nutter.

COUNCILMAN NUTTER: Thank you, Madame Chair, two questions.

Miss Kaplan, I'd like to talk about Line 67. Actually, this is probably more of a Dean Kaplan as opposed to a Barbra Kaplan conversation. Line 67 in the Capital Program, which is on Page. . .

MR. KAPLAN: 57.

COUNCILMAN NUTTER: Page 57, Capital Program book. Barbara's in the other book.

In the Capital Program book, Page 57, Line 67, Dean Kaplan. One, thank you for putting the money in the Capital Program. But you're aware that the voters of the City, I think, by over a 70 percent affirmative vote, said that they'd like to have new voting machines. You're also aware that the timing on this is that the project by State statute is to be completed within 103 weeks. The election that this was voted on was in November of 1998. You have the $21 million, which I greatly appreciate, in the FY '01 budget.

How do you propose that we're going to complete this project that has a clock running already of 103 weeks and the money is not available until FY '01, which is July 2000?

MR. KAPLAN: We think that's sufficient time to purchase the machines and have them installed, in 103 weeks.

COUNCILMAN NUTTER: Well, the only problem with this is -- you said you think it's sufficient time?

MR. KAPLAN: Yes.

COUNCILMAN NUTTER: Isn't it correct that there is virtually no manufacturer and that there are only three manufacturers basically in the new electronic voting machine business. None of them are going to be able to manufacture upwards of 3600-some voting machines immediately, right? So how are you going to do it?

MR. KAPLAN: Well, I. . . I think that there are two issues. One is -- you raise a good point. However, first of all, I doubt that we'll be ordering new voting machines well before that time. Second of all, I think that there probably will be an opportunity for us to either partially certify that purchase or certify it --

COUNCILMAN NUTTER: I'm sorry, I didn't hear the first part of what you said.

MR. KAPLAN: I think that the timeline for procuring the voting finances that we anticipate -- and I hasten to add that that is not something that's been developed in detail at this point -- is such that I don't anticipate that we would be paying bills with this money before July of 2000.

COUNCILMAN NUTTER: Well, what's going on right now?

MR. KAPLAN: I don't know that anything's going on right now, other than preliminary investigation of how to purchase them, assuming that this money is approved.

COUNCILMAN NUTTER: Well --

MR. KAPLAN: I don't think we would dedicate a lot of time to --

COUNCILMAN NUTTER: The clock started ticking in November of '98. Your own estimates were that it might take upwards of a year to have a procurement process in place -- although I think at the public hearing on this issue, we had some debate about whether it would take the wondrous Lou Applebaum a year to develop a procurement process for machines that could only come from one of three vendors.

The vendors are well known. I have no interest in any of them in particular. We know their products. Some of them are in use in other jurisdictions close to us. So why would we be waiting, or why is there nothing going on right now?

MR. KAPLAN: I think we know who the potential vendors are. I don't think that there is necessarily an agreement on what particular product we would be purchasing.

COUNCILMAN NUTTER: Well, the only way you're going to get agreement is if you're having discussions about types of product. I mean, it's kind of a Procurement City Commissioner's discussion. You'll never have agreement if nobody talks to each other.

MR. KAPLAN: I don't disagree with that but I think that in anticipation and prior to approval of the budget, I don't know that we would initiate a full-blown procurement process.

COUNCILMAN NUTTER: Well, what's the definition of a "full-blown procurement process"?

MR. KAPLAN: Well, I think it's dedicating time and procuring the voting machines prior to the approval of the Capital Budget and moving forward is the --

COUNCILMAN NUTTER: But those dollars aren't in this year's Capital Budget; they're proposed in the Capital Program and hopefully they'll show up in next year's Capital Budget.

I mean, I guess part of the assumption here was that we would phase in the use and site location of some of these machines as opposed to trying to show up at 1600-plus polling places on one day with 3600-some-odd machines. I mean that sounds like a logistical nightmare to try to do that.

MR. KAPLAN: Yeah. I don't know that I've ever been -- I have not participated in enough discussions to know but I'm not aware of any discussion about phasing it in, although it seems like a reasonable idea.

On the other hand, that means that you would have to find -- because you probably order all of them at once, if you do that, you would have to not spend other money in order to free this up earlier.

COUNCILMAN NUTTER: Or you could allocate some dollars in FY 2000, and the bulk of the dollars or the remaining dollars in FY '01, right?

MR. KAPLAN: That's possible. It would probably cost you more, but you could do that.

COUNCILMAN NUTTER: Why would it cost you more if you're dealing with the same contractor? I mean, they can't provide all of the machines that we need in '00, in '01 anyway.

But if there is some lead time and if they have a contract with us and they know how many machines we're going to need because we know how many machines we have now and more than likely, we're going to have same number of machines, it's one price.

MR. KAPLAN: Well, I think that if we're going to fund it, we have to have an appropriation in place to sign the contract.

COUNCILMAN NUTTER: Mm-hmm. And do you have to have all of the money?

MR. KAPLAN: Not necessarily. But I'm saying it would depend on how we set it up.

COUNCILMAN NUTTER: All right.

MR. KAPLAN: I think it was clearly we made a choice in this year's budget that if we were to spend 10 or $20 million in voting machines in next year's budget, in the FY 2000 budget, we would have to forego a large number of important projects; whereas, we had clearly identified 2001 as the funding year, and obviously, there was a presumption that we can purchase the machines within the time allotted.

COUNCILMAN NUTTER: But that also sets back your time of implementation and installation of the various machines, and we did identify for you, and this Council did pass a resolution seeking funding from PICA for which you have sent projects over that have been reprogrammed from past PICA dollars; isn't that correct?

So, I mean, we don't have to have a discussion about not spending some City dollars on worthy and worthwhile projects; you have another funding source that's been sitting with dollars on, quote/unquote, emergency projects back from 1992. You recall that discussion, I'm sure.

MR. KAPLAN: I do, and I think that we disagreed on -- I don't think we disagreed on whether they qualify as, quote/unquote, an emergency, but I think our analysis at the time was that it made sense to pursue this project in 2001 based on the increased cost of the machines as they age versus the cost of procuring new ones.

COUNCILMAN NUTTER: That was a unilateral decision by the Administration, though.

MR. KAPLAN: That was our position, I would agree. I would say it's a unilateral decision that was our contention.

COUNCILMAN NUTTER: So the voters should just wait notwithstanding their expression of their will back from '98.

MR. KAPLAN: I think the voters voted

to have it in 103 weeks.

COUNCILMAN NUTTER: Right. Is it your testimony here today that we'll new voting machines in all the public places in Philadelphia within two years of November of 1998; is that your testimony today?

MR. KAPLAN: Yes, that's the requirement, that's my testimony.

COUNCILMAN NUTTER: Okay, all right, no problem.

Line Item 119, in the current budget. The explanation in the Capital Program book is under "Recreation Improvements." It says that recreation facilities will be improved under a grant from the Commonwealth. Site selection is contingent on forthcoming grant requirements.

Can you tell me what the source of the State grant is from the Commonwealth? And how is it decided what projects would be on that list?

MR. KAPLAN: Eric Iffrig from the Recreation Department is coming.

(Eric Iffrig comes forward.)

MR. IFFRIG: Good afternoon.

COUNCIL PRESIDENT VERNA: Good

afternoon.

MR. IFFRIG: My name's Eric Iffrig, Director of Planning and Construction with the Recreation Department.

The grant application was turned in in November, this past fall. It's for a series of court improvements throughout the City -- both roller hockey and tennis courts. And that's to --

COUNCILMAN NUTTER: What part of the State government has this overriding interest in hockey courts and tennis courts?

MR. IFFRIG: This is the State's Keystone Grant Program, the old Community Affairs Department. That's a standing program that's, I believe, funded by -- it's DCNR now, thank you.

COUNCILMAN NUTTER: I'm sorry.

MR. IFFRIG: It's DCNR in the State. There's a Keystone Grant Program, which is funded by, I believe, state sales tax transfer taxes. And a certain amount of that is committed to fund bonds for community improvements, particularly recreation improvements.

So we won't know when the grant award is. It's usually in March or later in the spring.

COUNCILMAN NUTTER: What are the criteria for this grant?

MR. IFFRIG: That there be improvement municipal property, that -- this particular phase of the grant -- of the grant program, there are other phases. That it be serving the community, City property.

COUNCILMAN NUTTER: The bar is pretty low on this one, huh?

MR. IFFRIG: I'm sorry?

COUNCILMAN NUTTER: The bar is pretty low on this one.

MR. IFFRIG: It's not that specific really. Improvements to recreation facilities.

COUNCILMAN NUTTER: Okay. And how is the list developed?

MR. IFFRIG: Well, we try and determine the number of projects that we'd like to see funded within the limited budget that we have. We look at projects that we've proposed over a series of years to try and get them developed somehow.

We have partnerships with the NJTL and with professional sports tames for the roller hockey. And those programs work well, they've been growing. And it's a citywide program; it's not of any particular interest to any specific part of the City, but to the City overall.

So we try and get either large programs or some citywide program like this funded on these grant applications.

COUNCILMAN NUTTER: So this category might be a potential prime funding source for something like the 21st Ward Ice Rink, Wynnefield Recreation Center.

MR. IFFRIG: They're -- they have some limitations on new site acquisition and facilities. The program is pretty much a successor of the RERA (ph.) Program, which was a renovation program for existing facilities. It has somewhat of the same intent on it.

I personally don't know. The RERA Program used to have a specific percentage set aside for different types of community programs, whether surveys or acquisitions or renovation programs.

And the ability to secure the grant would be affected by the type of grant you put in. There was a limited amount of study money that would be granted much more in reconstruction money. So the odds were better on the grant award with reconstruction projects.

COUNCILMAN NUTTER: But if we were creative, we might be able to put something together.

MR. IFFRIG: I'm sure it's possible.

COUNCILMAN NUTTER: Okay, good answer. Thank you.

MR. IFFRIG: Thank you.

COUNCILMAN NUTTER: Thank you, Madame Chair.

COUNCIL PRESIDENT VERNA: You're welcome.

Are there any other questions for members of the committee?

(No further questions.)

COUNCIL PRESIDENT VERNA: Seeing none, I believe we have several other witnesses that would like to testify.

Miss Harper? Is Miss Harper here?

(No response.)

COUNCIL PRESIDENT VERNA: Dina Mendros?

(Dina Mendros comes forward.)

COUNCIL PRESIDENT VERNA: Thank you for your patience. Please identify yourself for the record and proceed with your testimony.

MS. MENDROS: Okay, my name is Dina Mendros, and I am a member of the Philadelphia Community Access Coalition, which is a group that has been around for about a year and a half, that is trying to get the City of Philadelphia to fulfill its commitment, which it made in the '80s when television came to this area, to create public access television in Philadelphia -- that is, to create the not-for-profit corporation that was passed by Council that would be in charge of getting and disbursing monies to create public access television.

Philadelphia is the only major city in this country that does not have public access cable television. And public access cable television provides the opportunity for people throughout the community to express their views on any number of subjects. It is something that has been important for democracy and it is something that could be very beneficial to the city.

Earlier today, I was at a meeting that

took place in the Mayor's reception room that was about the issue of welfare change. And one of the things that came up during this meeting was that there's a lot of misinformation or non-information that is not going to people who will soon be off welfare rolls. That's something that the present mayor, Ed Rendell, has remarked is a very serious issue that will take place for the City of Philadelphia in March.

If we had public access television, this is just one of the ways that this kind of -- that this type of a media outlet could be used for. It could be used to inform citizens, residents of Philadelphia about what the changes are and what are -- what is -- information that they need to be able to go through these changes with the least amount of distress.

Also City Councilpeople would be able to take advantage of public access television. They would be able to reach their constituents and give them lots of useful information. And any number of city agencies would be able to use public access television to tell citizens of Philadelphia information that they need to know to have a better situation living in Philadelphia.

Another way that public access television would be beneficial for the citizens is, it could become a place for job training, both for young people, for people coming off welfare programs and needing training and jobs to go back to work to fulfill their requirements.

Another way that public access would be beneficial is just to be a way that other organizations throughout the City and other individuals throughout the City could express their views on issues that are important to them, their views about some of the things going on in their city, and just their views about whatever they felt they wanted to express to the community at large.

The city government has been negligent on this issue. They have been -- they themselves have implemented a law, or some type of legislation, that they wanted to create public access television. They set up rules that a nonprofit corporation was supposed to be set up that would oversee and create this public access television.

City Council and the mayor has not done that step. And our group, Philadelphia Community Access Coalition, is asking that City Council indeed go forth with this setting-up of the nonprofit corporation and bring public access television to City Council.

One of the things that has been told to our group from former City Council President John Street and other City Councilpeople is that funding is an issue. There is money that was in the original contracts and that is written into the present contracts, continuing the same amount of financial resources that would go to the capital expenses of setting up public access television.

We were also told by some City officials that the television stations that are supposed to be used for public access are -- have basically been given back to the cable system, cable companies, free of charge. And in New York, this issue had gone to court, and it was found that the -- the courts found that it was illegal for the city to give these public access stations -- either public educational or government station -- which in short term is called "PEG." That it's illegal to give these stations back to cable companies free of charge. And probably if this was brought to court in Pennsylvania, the same finding would probably be found.

Basically, public access is important for the citizens of Philadelphia. It's an important way that people in a very dispersed city can communicate with one another and to tell people information that, for whatever reasons, is not getting out to people.

And we are asking that City Council put into their budget that money will be allocated for public access television. They said that they would do this 15 years ago and, you know, the time is now to go forth with this.

Does anyone have any questions for me?

COUNCIL PRESIDENT VERNA: Yes. The Chair recognizes Councilman Ortiz.

COUNCILMAN ORTIZ: Thank you, Madame President.

This is exactly what I was talking about before. Councilman John Anderson, who was one of the pioneers and the leaders in terms of the overall public access issue, he derived -- and the main concession to the public actually from the cable companies in 1983, '84, the main concession to the citizens of Philadelphia that the companies made was that they would commit themselves to give -- I think it was $75,000 each per year, I think, or something like that in order, one, to build a state-of the-art public access studio available to the people of Philadelphia. And that they would commit to then keep on being of service and participating in the overall technical assistance and contributing to the maintenance.

Reading, Lancaster, all the cities across the Commonwealth have asked, have demanded, and have gotten public access TV in their cities. For one reason or another, in over two administrations, we have still not fulfilled what John Anderson got for the citizens of Philadelphia.

And you're right, each one of those channels is very, very lucrative. For us to give them away for nothing is really, really irresponsible. If they want them, they should have to pay for them. But I believe that it's time that we demand and we make the cable companies really responsible and to live up to the contract obligations that they made to us in 1984.

And I think that the Mayor has to be able to respond to that and give a reason why two administrations still have not incorporated the Public Access Corporation and still not named a board I think it's about time we did I think it's about time that the largest city in the Commonwealth at least came up to the standards of Reading and Lancaster.

MS. MENDROS: I want to add that there has not been a big fight to get public access implemented, and our group is wondering why it is taking so much to get it implemented in Philadelphia. And when we had public hearings on this, it resulted in a resolution that you proposed and was passed in December, so we hoped that we could get to the bottom of why, in fact, this has never taken place.

Because it's something that not only are the citizens missing out on, which is the main and most important thing, but City government itself is missing out on something. For instance, in giving back these stations to the cable companies for no fee, it's money that should be going to the City. And we hope in order to establish this not-for-profit corporation, the papers of corporation have to be signed by Mayor and the President of City Council.

So City Council President Verna, we hope to be meeting with your office soon to discuss this more in detail.

COUNCIL PRESIDENT VERNA: Thank you.

The Chair recognizes Councilman Nutter.

COUNCILMAN NUTTER: No questions for the witness.

In one of the public records on the renewal of the one of the cable companies, and my colleague Ortiz may have mentioned this, but there was a request made for information regarding the establishment of the Public Access Corporation as well as the financial implications to the City to run a public access station and facility and the like.

To the best of my knowledge, Madame Chair, I don't believe that that proposal has either been sent or received. And so I would ask if there are knowledgeable representatives from either the Department of Public Property or the Law Department -- but I think Public Property in particular -- if they can at least for the moment give us an update on what they have done and when they plan that proposal over.

Certainly, we have the opportunity to have public property here during the operating budget cycle, but since the witness has raised this issue, we did ask for that information some time ago.

MS. MENDROS: Right. I was here at the hearing when you asked for that. And we've been also wondering what happened with that information.

COUNCILMAN NUTTER: Right. I think that was just a couple months ago.

MS. MENDROS: And last summer, the summer of '98, we met with then-City Council President John Street and he asked for similar information, and we've never heard back if that information ever got back to his office too.

COUNCIL PRESIDENT VERNA: Commissioner

or Mr. Costello, do you want to address the, please.

MR. COSTELLO: I do recall the request, believe it was the Greater Media renewal.

COUNCILMAN NUTTER: Right.

MR. COSTELLO: Part of the request was a request to look at the rates charged by respective franchises. I think you introduced the on behalf of the Wade representatives, and the Council President introduced a resolution regarding Greater Media subscribers.

COUNCIL PRESIDENT VERNA: Right.

COUNCILMAN NUTTER: That was on rates; that was not on renewal as it relates to --

MR. COSTELLO: Right, a series of requests were made.

COUNCILMAN NUTTER: Right. It was an investigatory hearing on the rate structure and a comparison of Wade's rates as compared to the other two cable companies, and also it came at a time when they had just announced a rate increase.

MR. COSTELLO: Okay. I can comment on the rate situation if you'd like or we can save that for another time.

COUNCILMAN NUTTER: I don't want to talk about rates today talk; I'd like to talk about public access and what you've done in response to the requests made at that time for a schedule and a program and the full financial costs that are estimated that the City would have to absorb to have Public Access Corporation up and running.

MR. COSTELLO: We have estimated over the years that the cost of running a public access corporation on a 365-day basis would cost anywhere from 500,000 to a million dollars a year. I mean, that's based on funding levels provided in other cities of our size.

We certainly could do it for less. The problem with that is you jeopardize the quality of program and the ability to replace parts and supplies, insurance, rents, whatever the case might be. I mean, it can become a very big operation in a large city such as Philadelphia.

COUNCILMAN NUTTER: Right. Is that a propose -- is there a proposal that is responsive to the request that was made at the time of the Greater Media franchise renewal hearing that is in a form that can be sent to the Chair and then distributed to the Councilmembers that is specifically responsive to the issues that were raised and requested at that time?

MR. COSTELLO: In a very short time frame, Councilman, yes.

COUNCILMAN NUTTER: How short is "short"?

MR. COSTELLO: Probably in a couple weeks.

COUNCILMAN NUTTER: You'll have it by the time you come here for your Operating Budget testimony?

MR. COSTELLO: Yes, sir.

COUNCILMAN NUTTER: I'd encourage you to do that.

MR. COSTELLO: Okay.

COUNCILMAN NUTTER: Thank you.

COUNCIL PRESIDENT VERNA: Thank you very much.

Our next witness is Gretchen Clausing.

MS. MENDROS: She's with my group and not here right now. She might be here later; will she be able to speak then?

COUNCILWOMAN VERNA: I don't think we'll be here much longer, hon.

MS. MENDROS: Could I add one more thing, just one brief thing?

COUNCIL PRESIDENT VERNA: Please approach the microphone.

MS. MENDROS: Thank you.

COUNCIL PRESIDENT VERNA: Identify yourself again for the record, please.

MS. MENDROS: This is Dina Mendros from Philadelphia Community Access Coalition.

And one other thing that I wanted to say to the Department of Public Property was that in our meetings with John Street in the summer, he also asked them to look into alternative funding sources so that all of it -- and Gretchen has just walked in -- so that the City would not have to foot the entire bill, such as Councilman Ortiz mentioned, that at least half of that -- we heard close to half a million, which is the low figure that was just given by Mr. Costello -- is provided for -- that operating cost would be provided for according to the contract with the cable companies. And that there's in the millions of dollars an amount of money that was specified in the cable contracts that would go to capital expenses for buying equipment and building the studios and that sort of thing.

So a lot of the money would not be coming from the City coffers.

COUNCIL PRESIDENT VERNA: Thank you.

Miss Clausing.

MS. CLAUSING: Yes, hi.

COUNCIL PRESIDENT VERNA: Please identify yourself for the record and proceed with your testimony.

MS. CLAUSING: Good afternoon. My name is Gretchen Clausing, and I'm here representing the Philadelphia Community Access Coalition. Again, my apologies for just sort of rushing in.

I think that our presence here today is really to again raise the issue of the importance of public access. It is something that I do believe going forward needs to be considered, not only in the budget of Public Property but also in the budget of the Capital Budget of the City.

And you're going to have to -- I have to apologize if I am repeating myself or repeating what Dina said, but I think there are so many pros to this opportunity. I think that in looking towards the creation of really high-paying jobs, giving the opportunity for young people to learn skills, to kind of raise the level of discourse that happens in this city, to be able to have an incredible outlet for marketing the City and its activities through the use of the access channels by nonprofit organizations, be it those working in social services or in education or in arts and culture. In terms of just wanting to see Philadelphia as it goes into the 21st century, we want to see the city really be wired and prepared and having the kind of workforce that knows how to use these technologies.

And, you know, again, I just want to urge you all, in looking at this Capital Budget, to think about -- we're not talking about vast sums. We understand that based on the franchise agreements, there is already money that is supposed to be coming from the cable companies from the franchise fees. There's monies from the cable companies that once the nonprofit corporation is set up by Council President and the

Mayor, that then those capital monies will come in to buy the equipment.

But those are all figures that were determined 15 years ago. And I do believe that the City needs to be prepared to include some additional monies in making sure that Philadelphia does really have the kind of state-of-the-art facility that these franchise agreements -- really, when you look at what was written up 15 years ago, it was really quite exciting and could really put Philadelphia out in the forefront of what is happening across the country and across the world in terms of using television and the new technologies.

So thank you very much.

COUNCIL PRESIDENT VERNA: Thank you. I don't believe there are any questions. Thank you.

Our next witness is Karen Talarico.

(Karen Talarico comes forward.)

COUNCIL PRESIDENT VERNA: Is Miss Harper in the audience?

(No response.)

COUNCIL PRESIDENT VERNA: Good afternoon.

MS. TALARICO: Good afternoon. I'm Karen Talarico, and I'm the Executive Director of the Friends of the Free Library. And I'd like to thank you, Madame President and members of City Council, for allowing me to speak this afternoon.

I come here representing over 6,000 people who call themselves "Friends of the Free Library of Philadelphia." These Friends represent people from every neighborhood and section of the city, from all walks of life and from every age level. As Friends of the Library, we're grateful to City Council for including in the year 2000 budget continued funding for the capital renovation project, which will result in the refurbishment of all the Free Library's 53 branches.

If you have visited any of the renovated branches, you know that the change have been very dramatic. New paint and carpets, new furnishings and computers have made the libraries attractive and inviting. This has translated into increased library usage at all of the renovated branches.

People are attracted by the new

2/9/99 WHOLE COMM. - Budget Hearings

technology at the Library where they can access the Internet and surf the Web. In fact, the computers have attracted people who have not been library users in the past. Many new patrons are now using their branch library for the first time.

But although new technology may be inviting people to come back to their branch library, the further good news is that they are still taking out books once they get there. Circulation is up at every branch library that's been renovated and reopened.

Although the renovation process has proceeded pretty much as scheduled, there are some branches that need more attention, and the Friends would like to bring them to your attention.

The Widener Library on Lehigh Avenue was scheduled for renovation during the current budget year, but the building is in such terrible condition and the challenges to renovating a space that has deteriorated so badly are so great that the community and the library administration feel that another solution is needed. We hope that the City Council, the community, and the library administration can work together to find the funds and the site for a new Widener Library.

Another such site is the George Institute branch on 52 Street, south of Lancaster Avenue. The existing library there is much too small to accommodate the planned technology upgrades in addition to the collection of books and reference materials. The library administration has been working with the City government to find another site for this library, but until one is located, the community will have to do without the new computers and the Internet access available to people in other parts of the City.

The Walnut Street West Library remains closed, although the library has tried to continue some level of service in a much smaller space across the street. The Administration continues to work with the University of Pennsylvania to identify a new site for this branch. The Friends of Walnut Street West have tried to keep some of their projects going such as an after-school tutoring project for neighborhood children. But without a full site library, it's impossible to serve the ongoing needs of this community.

2/9/99 WHOLE COMM. - Budget Hearings

The Haddington branch represents a special challenge to the renovation project. Haddington's a huge old Carnegie library on North 65th Street. The scope of this renovation is so large that it must be funded over two years. Repairs are scheduled to begin this year but will of necessity extend into the Fiscal 2001 budget.

And as the library enters into the final phase of the renovation to its branches, we now must look to what's the crown jewel of our Library system, the Central Library, at Logan Square. The Central Library itself may be architecturally very beautiful outside, but inside the building, many of the collections are housed in space that is so cramped, access to the materials in them is limited.

The Central Library is the home to many priceless volumes, prints and pictures, and orchestral scores, but the age and state of the building make it impossible to safeguard these treasures for future generations.

The installation of modern technology for public access has also been hampered by the existence of antiquated phone systems and wiring.

The modernization and expansion of the Central Library will be an issue that we will want to address in the very near future.

In closing, I would like to thank you for your past support of the Free Library, and urge you to extend that support by continuing to fund the capital needs of the Library and its branches during the upcoming fiscal year.

Thank you.

COUNCIL PRESIDENT VERNA: Thank you.

The Chair recognizes Councilman Nutter.

COUNCILMAN NUTTER: Thank you, Madame Chair.

I deeply appreciate your testimony, and I just wanted to make sure that we had a couple that were clear on the record. You made reference to a couple of libraries. You may know that there's no other Council district beyond the 4th that has more libraries than I do.

MS. TALARICO: Yes.

COUNCILMAN NUTTER: In this year's Capital Budget, the George Institute branch that you mentioned is in for $417,000; the Haddington branch is in for $500,000; the Haverford branch is in for $300,000 for one project and $105,000 for another project; and the Wynnefield branch library is in for $475,000.

I did, though, want to make particular note of the situation at the George Institute branch, which you know that we are trying to expand in order to have meeting space. We are faced with the challenge in that expansion of trying to acquire a property adjacent to the George Institute Library. And I'd just like to at least inform you and get on the record what we have been doing in that particular regard.

With the Chair's agreement I'd like to ask John Christmas from the City's Law Department to come up and share some information about our recent activities with regard to the George branch. Is that okay?

(John Christmas comes forward.)

MR. CHRISTMAS: Good afternoon.

COUNCIL PRESIDENT VERNA: Good afternoon. Please identify yourself for the record.

MR. CHRISTMAS: Good afternoon. I'm John Christmas with the Law Department.

As the Councilman mentioned, we are in active efforts to acquire a site right next door to the George's Institute branch for the expansion. We met with the property owner. We've been trying to negotiate with him to get some kind of sensible price for the location.

At the same time, we knew we needed, in an effort to further that discussion, have an appraisal done, which we received two weeks ago. Our plan was to either negotiate from that plan some type of sale price that made sense or to exercise our imminent domain powers in order to acquire it. It is obviously critical to proceed on an imminent domain basis observing all of the due process entitlements that the property owner would have. Naturally, an agreed-upon sale price that makes sense is best.

Having received the real estate appraisal only a couple weeks ago from the Redevelopment Authority, we're going to schedule a meeting as contemplated with the property owner to talk more realistically about what the property's worth, and I fully expect that meeting to occur in short order.

COUNCILMAN NUTTER: Mr. Christmas, you were brought into this process as a result of a call between myself and the City Solicitor about this particular; is that correct?

MR. CHRISTMAS: That's correct.

COUNCILMAN NUTTER: And you participated in the meeting with the property owner a few months ago; is that right?

MR. CHRISTMAS: That's correct.

COUNCILMAN NUTTER: Is it fair to say that the asking price that the property owner put on the table for a series of parcels, after having rejected the City's request for the sole parcel that is next to the George institute, is it fair to say that his asking price was somewhat high?

MR. CHRISTMAS: Yes, it is fair to say that it was somewhat high.

COUNCILMAN NUTTER: And we did initially try to get from him an agreement on just the one parcel next to the George Institute, which he rejected on a number of occasions and insists that we look at all of this properties which are not only the one adjacent to the George Institute, but would also take up almost a triangular larger parcel; is that right?

MR. CHRISTMAS: Yes, sir, that is right.

COUNCILMAN NUTTER: And as a result of that, we have now decided to get a full appraisal not only for the site adjacent to the George Institute but for all of those other properties that he owns. And as you indicated, we will either negotiate a reasonable price or we will use every power and authority that we have as a government to go after all those properties still paying a fair-market value; is that right?

MR. CHRISTMAS: Yes, sir, that's right.

COUNCILMAN NUTTER: Okay, I look forward to seeing you at the next meeting with the property owner.

MR. CHRISTMAS: Yes, sir.

COUNCILMAN NUTTER: Thank you. Thank you, Madame Chair.

COUNCIL PRESIDENT VERNA: Thank you very much.

The Chair recognizes Cohen. Just a moment please.

COUNCILMAN COHEN: To the gentleman

first. Do you handle these matters in the City Solicitor's Office for the acquisition of property generally or just for the Library?

MR. CHRISTMAS: Well, I was called in to this project -- no, I don't normally handle either acquisition f property matters or imminent domain acquisitions. But I do -- my normal work does embrace valuing property and making deals concerning property.

But why I was brought in to this matter is because there is a mix of things that we can negotiate, one of which is that this property owner owes a lot of taxes on a lot of different properties. And I had previously represented the Department of Revenue in my experience with the Law Department, and I know how to structure some of these possible acquisitions where there really might not be no out-of-pocket to the City. And we, with Councilman Nutter's help, wanted to explore that and we could actually accomplish some or all of this without an outlay of money.

COUNCILMAN COHEN: Well, I wanted to thank Councilman Nutter for bringing you in to the picture, because I was concerned in general because we sometimes have situations where people are prepared to offer properties but there are tax liability and you've got to balance out all of kinds of things.

And, secondly, the Ogontz Library that I've been working for some 35 years has already outgrown its, you know, ability to handle everybody. And I've recently raised with the Library the possibility of talking about acquiring more land immediately adjacent.

So I'm very glad you raised that because it seemed like a live matter, and you obviously knew very much what you were talking about.

COUNCILMAN NUTTER: Point of information, Councilman. The reason John Christmas was involved in this process is because I called the City Solicitor, explained the situation that we have a reluctant owner who also owes the City of Philadelphia significant outstanding tax dollars on these properties and other properties, and I asked her to send over the roughest, toughest attorney she's got over there to get this deal done as quickly as possible.

COUNCILMAN COHEN: He doesn't look it.

COUNCILMAN NUTTER: Do not let his demeanor confuse you, Councilman. You may want him for your Ogontz project.

COUNCILMAN COHEN: Well, I was just very pleased to know that the City has somebody like that.

COUNCILMAN NUTTER: That's why he's working on this project for me; plus he's the one that would be willing to put up with me in this transaction.

COUNCILMAN COHEN: Well, I'll remember that. I'm as unpleasant as Councilman Nutter is frequently in our persistent effort to get at the facts, but I'm glad to see that the City has such able talent working in that field because I think, increasingly, we're getting to run into situations involving acquisition of property where we want to feel that the City's counsel is just as able as, you know, those in the private sector are, and you certainly clearly meet and exceed every expectation.

We thank you for the information.

MR. CHRISTMAS: Thank you very much,

Councilman.

COUNCIL PRESIDENT VERNA: Thank you very much.

Are there any other questions?

(No further questions at this time.)

COUNCIL PRESIDENT VERNA: Do we have any other witnesses here who wish to testify?

(No response.)

COUNCIL PRESIDENT VERNA: I want to thank everyone for their patience today.

The Committee of the Whole will stand in recess until Tuesday, February 16th, at 9 a.m.

(Adjourned at 2:32 p.m.)

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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, February 16, 1999, 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 990021, 990022

______________________________________,
JOSEPHINE CARDILLO,
Registered Professional Reporter