

The City Council met in regular session in the Council Chambers on Wednesday, August 5, 2015 at 9:00 A.M.

Council Members present: Horan-Kunco, Jones, Kwitowski, Merski, Winarski, Witherspoon and Brennan. 7. Nays. 0.

On motion of Mr. Brennan , Seconded by Mr. Merski the reading of the minutes of the Meeting of July 15, 2015 were dispensed with and same adopted with copies furnished to the members of City Council by yeas Council Members Brennan, Horan-Kunco, Jones, Kwitowski, Merski, Winarski and Witherspoon. 7. Nays. 0.

Copies of the bills under date of July 31, 2015, August 7, 2015 and August 14, 2015 were given to City Council and same adopted by yeas Council Members Brennan, Horan-Kunco, Jones, Kwitowski, Merski, Winarski and Witherspoon. 7. Nays. 0.

2015 MID-YEAR REPORT

Good morning. Today I present you with the 2015 mid-year financial report for the City of Erie. The figures in this report continue to reflect stability in municipal operations and cost control; as well as the advantages of the transparent budget and spending system we have implemented. It shows the continued commitment of all departments to stay within budgetary constraints, find new efficiencies, and keep our operations affordable to the taxpayers. Once again all of our department heads, bureau chiefs and employees of the City of Erie are to be commended for their vigilance in these areas.

As you are aware from the discussions at each of the monthly finance committee meetings, the stability of our operation has allowed us to keep the cost of doing business within budget throughout the past nine years. We have done so by finding new operational savings, to minimize the impact of annual increases cost of operating each of our departments. Over a period when most cities across America have experienced significant financial distress, our push to create an efficient, cost effective operation has kept Erie stable and vibrant. Because of our successes in redesigning the way municipalities do business, we've avoided the consequences, insolvency, and long term financial distress.

This model is reflected in the numbers you will review in the body of this report. As you look at the details, you will find that the total revenue projections are below the budgeted amounts, with individual line items varying according to the different circumstances that have arisen throughout the year. Most significantly, our real estate taxes collected to date are a half a million dollars below the projected amount. Historically in years where there is a tax increase, a lag of this type is common, but is made up in subsequent months.

Also, some of the state funded entitlement grants that we are accustomed to receiving are down. This year, the recycling grant is almost \$45, 000 less than anticipated, and the state pension aid is projected to be down a \$145,000. In total, we expect to collect \$231,000 less in total revenue than was anticipated in the budget.

The revenue shortfalls will be offset by significant savings on the expenditure side. We are anticipating \$303,000 less in expenditures than was originally budgeted. This is the result of continually working to find additional savings in every area of the operation. Vigilance of department heads, bureau chiefs and managers has proven effective and, over the years, we have managed to save our taxpayers millions of dollars. In total, we are projecting a final budgetary surplus this year of \$71,592.

In our sewer fund, we are expecting a small shortfall. Domestic sewer use revenues are on track to be nearly \$1.3 million dollars under budget due to significantly lower water usage than expected. All but \$35,000 of this shortfall will be offset by increased water authority and industrial surcharges, as well as savings on our expenditure side.

In our refuse fund we are expecting a \$384,000 surplus. This is due to increased collections of late fees and penalties from delinquent accounts as well as costumers paying in a more timely fashion, due to the change in sewer/refuse billing that we directed.

As you review this report you will see that all departments other than sewers and golf, are expected to, again, meet their target budgets. This shows that we have been able to determine the true cost of doing business, budget accordingly and manage our operation in order to stay within the expected expenditures. This is a pledge that we as an administration and council promised our taxpayers nine and a half years ago. We have fulfilled that promise each and every year.

Our projections are only estimates, but are based on trends we have seen throughout the course of this administration. There may be deviations in the second half of the year, but we expect all departments to operate within our budget constraints again this year.

My staff and I will be available to address any questions you may have after you've had the opportunity to digest this information. I thank you for your ongoing support of the administration as we work together to make Erie a strong, financially vibrant community. We will continue on our mission to make Erie a model for cities across the commonwealth of how they can succeed despite the challenges facing all communities.

By Mrs. Horan-Kunco, Council File No. 15,925, Pending Official File Ordinance 23-2015

An ordinance appropriating the sum of \$25,000.00 from unappropriated and anticipated revenue and providing for the expenditure thereof. **POLICE DRUG AND VICE PROGRAM**

August 5, 2015. City Council on motion of Mrs. Horan-Kunco, Seconded by Mr. Witherspoon having read Council File No. 15,925, now known as Pending Official File Ordinance No. 23-2015 does hereby adopt on **Final Passage** by yeas Council Members Horan-Kunco, Jones, Kwitowski, Merski, Winarski, Witherspoon and Brennan. 7. Nays 0.
August 5, 2015, Signed by the President. Attested by the City Clerk.

By Mr. Merski, Council File No. 15,926, Pending Official File Ordinance 24-2015

An ordinance amending Ordinance Number 26-1958, the Traffic Code of the City of Erie by the **installation of stop signs** at seven intersections:

- 1) Kellogg Street and Moorhead Street-stopping Kellogg Street
- 2) West 37th Street and Plum Street-stopping West 37th Street
- 3) East 19th Street and Schaal Avenue-stopping East 19th Street
- 4) East 20th Street and Schaal Avenue-stopping East 20th Street
- 5) West 11th Street and Cherry Street-stopping both West 11th and Cherry Streets
- 6) West 10th Street and Raspberry Street-stopping West 10th Street
- 7) Hoyt Street and Fargo Street-stopping Hoyt Street

August 5, 2015. City Council on motion of Mr. Merski, Seconded by Mr. Brennan having read Council File No. 15,926, now known as Pending Official File Ordinance No. 24-2015 does hereby adopt on **Final Passage** by yeas Council Members Horan-Kunco, Jones, Kwitowski, Merski, Winarski, Witherspoon and Brennan. 7. Nays 0.
August 5, 2015, Signed by the President. Attested by the City Clerk.

By Mr. Kwitowski, Council File No. 15,927

An ordinance amending City of Erie Official File Ordinance 62-2006, Codified Ordinance Article 738 (**Curfew**), Section 738.02 (Definitions). Subsection 738.02(a) ("After Hours") to lower the existing curfew to 10 P.M. through 6 A.M. all nights of the week during the entire year.

August 5, 2015. City Council on motion of Mr. Kwitowski, Seconded by Mr. Merski having read Council File No. 15,927, does hereby adopt on **First Reading** by yeas Council Members Horan-Kunco, Jones, Kwitowski, Merski, Winarski, Witherspoon and Brennan. 6. Nays 1.

August 5, 2015, Signed by the President. Attested by the City Clerk.

By Mr. Brennan, Seconded by Mrs. Horan-Kunco, Resolved, etc.,

That the City Solicitor research the possibility of initiating or preparing an ordinance **restricting individuals or businesses participating in the bidding process for contracts and purchase orders** if said companies/individuals are in financial arrears to the City of Erie on real estate taxes, water, sewer, garbage bills, etc. and report his findings thereon back to City Council.

August 5, 2015. City Council adopt by yeas Council Members Horan-Kunco, Jones, Kwitowski, Merski, Winarski, Witherspoon and Brennan, 7. Nays. 0.
August 5, 2015 Signed by the President. Attested by the City Clerk.

By Mr. Brennan, Seconded by Mr. Witherspoon, Resolved, etc.,

That assigning the following members of City Council to the **Erie Area Council of Governments on August 1, 2015**: Casimir Kwitowski-COG Delegate, James Winarski 1st Alternate, David Brennan-COG Alternate, Curtis Jones, Jr.-COG Alternate, Robert Merski-COG Alternate, Melvin Witherspoon-COG Alternate.

August 5, 2015. City Council adopt by yeas Council Members Horan-Kunco, Jones, Kwitowski, Merski, Winarski, Witherspoon and Brennan, 7. Nays. 0.
August 5, 2015 Signed by the President. Attested by the City Clerk.

By Mr. Brennan, Seconded by Mr. Winarski, Resolved, etc.,

That the communications from **City of Erie Authorities** pursuant to Act 339 listing the names, positions and salaries of their respective employees for the six month period ending **June 30, 2015** is hereby placed on file in the Office of Accounts, Finance and Budget:

- | | |
|--|---|
| Erie Airport Authority | Erie County Convention Center Authority |
| Erie Housing Authority | Erie Metropolitan Transit Authority |
| Erie Park Authority/Zoological Society | Erie Parking Authority |
| Erie Water Authority | Erie-Western PA Port Authority |
| Erie Redevelopment Authority | |

August 5, 2015. City Council adopt by yeas Council Members Horan-Kunco, Jones, Kwitowski, Merski, Winarski, Witherspoon and Brennan, 7. Nays. 0.
August 5, 2015 Signed by the President. Attested by the City Clerk.

By Mr. Winarski, Seconded by Mrs. Horan-Kunco, Resolved, etc.,

1. That the following amount is hereby transferred in the Office of Sewers:

TRANSFERRED FROM:			TRANSFERRED TO:		
AMOUNT	ACCOUNT	TITLE	AMOUNT	ACCOUNT	TITLE
\$150,000.00	007-0771-0000-4086	Lease Agreement	\$150,000.00	007-0771-0000-4059	Other Serv. & Charges

August 5, 2015. City Council adopt by yeas Council Members Horan-Kunco, Jones, Kwitowski, Merski, Winarski, Witherspoon and Brennan, 7. Nays. 0.
August 5, 2015 Signed by the President. Attested by the City Clerk.

By Mr. Brennan, Seconded by Mr. Merski Resolved, etc.,

That the Mayor and City Controller are authorized and directed to execute **contracts** between the City of Erie and the following individuals and/or companies for goods and/or services as noted and the City Council does hereby ratify and confirm the said transactions which are to be charged to the respective Budget Code Numbers, viz:

- *The Humane Society of Northwestern Pennsylvania**, 2407 Zimmerly Road, Erie, PA 16506, for supplying animal shelter services according to Bid #6430, for the Bureau of Police of the City of Erie at a total cost of **\$22,000.00** per year.

***Pulled at the request of Council pending further discussion.**

By Mr. Brennan, Seconded by Mr. Merski, Resolved, etc.,

That the Purchasing Agent is authorized and directed to issue **purchase orders** to the following individuals and/or companies for goods and/or services as noted and the City Council does hereby ratify and confirm the said transactions which are to be charged to the respective Budget Code Numbers, viz:

1. **Ace Viking Electric Motor Co., Inc.**, 2222 East 30th Street, Erie, PA 16510, for Baldor motors for the car wash for the Bureau of Streets at a cost of **\$4,220.00**.
2. **Commonwealth of Pennsylvania**, 1800 Elmerton Avenue, Harrisburg, PA 17110 for the annual recurring data circuit lease and equipment for **NCIC (Scope)** for the Bureau of Police at a total amount of **\$3,500.00**.
3. **Commonwealth of Pennsylvania, Department of Environmental Protection Bureau of Waste Management**, P.O. Box 8550, Harrisburg, PA 17105-8550, for an Annual Renewal of the Waste Transportation Safety Program for the Department of Refuse and Recycling of the City of Erie at a total cost of **\$3,600.00**.
4. **DCED Governor's Center for Local Government Services**, Commonwealth Keystone Building, 400 North Street, 4th Floor, Harrisburg, PA 17120-0225, **for State fees** due for April, May, and June 2015 (580 permits) for Code Enforcement for the City of Erie at a total cost of **\$2,320.00**.
5. **Fire & Police Selection Inc.**, 193 Blue Ravine Road, Suite 270, Folsom, CA 95630 for the firefighter written exam test booklets, scoring, and fees for the Office of Human Resources at a total cost of **\$4,636.80**.
6. **Johnston's Evergreen Nursery, Inc.**, 9865 Wales Road, Erie, PA 16510-5499 for trees for the Department of Shade Tree of the City of Erie in the amount of **\$3,858.00**.
7. **KME Fire Apparatus**, 1708 Seibel Drive NE, Roanoke, VA 24012 for diagnosis, parts, and repairs for the ladder truck for the Bureau of Fire of the City of Erie at a total cost of **\$12,624.48**.
8. **Kelly-Creswell**, 1221 Groop Road, Springfield, OH 45504 for a Walk behind paint striper for Paint & Sign Division for the Bureau of Streets at a cost of **\$4,816.50**.
9. **Matt Krol Construction LLC**, 375 Moore Road, Waterford, PA 16441 for labor and materials to repair damage on roof of the Salt Dome for the Bureau of Public Works at a cost of **\$3,250.00**.
10. **Mulkearn, Inc.**, P.O. Box 65, 2488 Sunnyside Road, Findley Lake, NY 14736, for the Roger Young Pool Project (repair, paint, and re-caulk joints) for the Department of Parks and Recreation of the City of Erie, be approved as follows:
Original Purchase Order Amount: \$14,500.00
Change Order: 800.00
Final Purchase Order Amount: **\$15,300.00**
Original Budget Code: 002-0725-0000-4552
Changed Budget Code: 002-0713-0000-4075
11. **Onex, Inc.**, 2225 Colonial Avenue, P.O. Box 8436, Erie, PA 16505 for the **repair and refractory work on the Incinerator** at the Wastewater Treatment Plant for the Bureau of Sewers for the City of Erie at a total cost of **\$9,338.00**.
12. **Pathmaster, Inc.**, 1960 Midway Drive, Twinsburg, OH 44087 for 20 Controllers and 24 GPS units to be used at the Peach Street, French Street, and State Street corridors, for the Department of Public Works of the City of Erie at a total cost of **\$45,400.00**.
13. **Penelec**, P.O. Box 3612, Akron, OH 44309-3612, for labor and equipment to extend new electric service to performance stage for the proposed West Perry Square Improvements for the Bureau of Engineering at a cost of **\$9,172.11**.

August 5, 2015. City Council adopt by yeas Council Members Horan-Kunco, Jones, Kwitowski, Merski, Winarski, Witherspoon and Brennan, 7. Nays. 0.

August 5, 2015 Signed by the President. Attested by the City Clerk.

August 5, 2015 City Council on motion of Mr. Brennan, Seconded by Mr. Merski adjourned at 11:00 A.M. by yeas Council Members Horan-Kunco, Jones, Kwitowski, Merski, Winarski, Witherspoon and Brennan. 7. Nays. 0.

President of City Council

Attest:

City Clerk