

MINUTES

Reading Parking Authority

18 November 2009

The Reading Parking Authority held their meeting on Wednesday, 18 November 2009 at 5:30 P.M. in their office at 613 Franklin Street, Reading, PA.

Board Members Present

George Cook, Chairman

Jack Lantrip, Vice Chairman

John M. Darlington, Treasurer, Asst. Secretary

Donna Reed, Board Member

Mike Polyak, Board Member

Absent

None

Others Present

Lawrence Lee, Executive Director, RPA

Christina Gilfert, Finance Manager, RPA

James Lillis, Solicitor

Guest(s)

Sal Lacis, Reading Eagle

The meeting was called to order by the Chairman of the Board at 5:32 PM.

Public Comments

None

Guest

None

Reading and Approval of the Minutes

Motion 2009-84 was made by Mr. Darlington to accept the minutes from the October meeting. The motion was seconded by Mr. Lantrip. The motion passed.

Correspondence

The Executive Director received a request from our bond holder (US Bank) to provide a bond trust statement indicating the authority revenues will cover expenses in 2010. The Chairman signed the documentation. The bond holder is also requesting proof of insurance for 2010 and that information will be provided by the Executive Director.

Executive Director's Report

Convention Center Garage

The Parking Authority had signed two more change orders for the garage: (1) change of elevator contract for a credit of plus \$15,600.46; (2) fee for additional mock up at \$1,919; and another credit for demolition of \$6,363 for an alternate fencing enclosure (no mesh). Approximately \$6.1MM remains in the BAB account. There will be a change order for November for approximately \$400,000 due to additional drilling and grout fill for the mini-piles.

On/about Feb/Mar 10 we will need to draw on the \$6MM bridge loan.

Environmental cleanup is ongoing with the recent underground tank remediation to occur on Monday, 16 Nov 09. The executive director met on 12 Nov 09 with the Reading Redevelopment Authority to discuss the costs for underground tank and asbestos removal.

Erection of the garage is still scheduled for the first week in January.

\$6MM State Grant for the Convention Center Garage

No new information on the grant process

Parking Meter Upgrade

StreetSmart used inaccurate information when making recommendations to the Reading Parking Authority relative to meter purchase/lease. StreetSmart calculated available tickets and potential revenue by computing violations using a seven (7) day work week which was grossly in error. I am not confident that the new computations will make this purchase a good financial decision. The first proposal was calculated at \$1,168,000 over five years with the purchase of the meters. The second proposal costs \$1,200,000 to which was designed to limit our initial cash "out" expenditure. Other hurdles to StreetSmart meters include: ZERO use by the public of cell phones to pay for meter parking, state road use not approved, and interface with our ticket system is questionable. The Chairman indicated that the board is not interested in StreetSmart at this point in time.

4th and Cherry Garage

The project is moving forward with an anticipated completion the second week of January. Sovereign Bank is looking at adding 123 additional parkers (75 on 14 Dec 09 and an additional 48 on 15 Jan 10) to their existing contract, but may not necessarily increase permits purchased since the bank has not used all of their initial permits purchased. Additional spaces are becoming available as the work progresses.

Bond Payment

A bond payment of \$2,968,228.32 was made on 15 November 2009. An additional payment of \$556.04 was made for the interest used to close on the \$6MM bridge loan for 2009.

Reading School District – Rock Center

The Parking Authority is close to a deal for parking for the Reading School District (Rock Center) located at 8th and Penn Streets. Parking will include support for testing services and professional development classes for teachers. The Parking Authority is also providing eight new permits to Millersville University for their instructors to be teaching at the ROCK. The permits are for the

South Penn garage.

New Parking Agreements

The Authority has initiated a new agreement with Judy's on Cherry and the Speckled Hen for parking in the 300 Penn open lot (old newspaper lot). Fees remain the same but operationally, patrons will be required to deposit a coin provided by the restaurant to exit the lot for lunch patrons. A flat fee will apply for evenings and weekends. New lighting and gate controls have been added.

The Executive Director met with the Reading Express to initiate a parking agreement for the 2010 arena football season. Fees remain unchanged, but a new inclusion was added to their contract for discount pre-paid parking. The same offer of discounted pre-paid parking was implemented with the Reading Royals.

General Liability and Worker's Compensation Insurance-Summary

Lines of Business	2009 Premium	2010 Premium
Property	\$31,422	\$32,072
Inland Marine	\$1,376	\$2,309
Crime	\$3,110	\$3,110
General Liability	\$12,777	\$13,345
Automobile	\$6,452	\$7,236
Worker's Compensation	\$23,645	\$32,867
Umbrella	\$5,382	\$5,416
Total	\$84,184	\$96,355

Recommendation: Renew with Ohio Casualty as our insurer.

I did seek another quote from a separate insurance broker and the quote was more than the quote above.

Budget Review

The Finance Manager addressed the status of Budget/Revenue for 2009.

-Operating Budget: The Authority's ten month budget is at \$3,315,416 and we are currently \$106,556 under budget. It should be noted that some budget line items are paid once per year (pension) and some items paid periodically (insurance) that may skew the budget snap shot at any particular month in the year.

-Revenue Report: The Authority revenues are \$85,407 above last year's revenue at this point in time. Violation revenues has improved, but still under last year's violation revenue.

-Cash Flow: The cash flow as of 30 October 2009 is \$6,009,508 compared to \$9,556,673 in 2008. The \$3MM bond payment in November is not reflected in the cash flow statement for October.

Motions for the Board

1. That the board passes a motion to accept the minutes from the last board meeting.

Motion 2009-84.

2. That the board accepts the accounts payable from the previous meeting. Motion 2009-85.

3. That the board renews their insurance (general liability and worker's compensation) with Ohio Casualty for \$96,355.00 with EHD as the insurance broker. Motion 2009-86 was made by Mr. Polyak and was seconded by Mr. Lantrip. The motion passed.

4. That the board approves a motion to remit \$10,000 to the Reading Redevelopment Authority for their expenses and assistance in the Parking Authority's pursuit of the Build America Bond with Fulton Bank. Further, that the payment be taken from the proceeds of the BAB. Motion 2009-87 was made by Mr. Lantrip and seconded by Mr. Darlington.

5. The Chairman of the board offered a suggestion to the other board members to authorize a 3% raise to management for 2010. Motion 2009-88 was made by Mr. Lantrip and seconded by Mr. Darlington. The motion passed.

Solicitor's Report

The solicitor indicated that appeal for tax relief for the convention center garage property will not be heard until 2010. .

The solicitor also indicated that the appeal to the zoning hearing in September now includes the city solicitor. Both the Authority and the City of Reading believe the parking ordinances are valid and should remain in place.

Approval of Accounts Payable

Motion 2009-85 was made by Mr. Darlington and seconded by Ms. Reed to accept the accounts payable. Motion 2009-85 passed.

Old Business

The Executive Director spoke to Mr. Allan Shuman and presented options to purchasing 7th and Washington for his development project at 635 Penn Street. Mr. Shuman is still only interested in purchasing 7th and Washington Street open lot. The board does not want to sell the 7th and Washington Street open lot.

New Business

The Executive Director indicated that the Reading Royals are offering a free child's admission ticket for every adult ticket purchased on Martin Luther King Day – 18 Jan 10. The executive director suggested a flat \$2.00 parking fee to assist in ticket sales.

Other Business

The Parking Authority was contacted by Mr. Andrew Dunn of Hybrid Films about doing a segment on Parking Wars. The board agreed to the filming. The solicitor suggested contacting the bargaining union to coordinate for this event.

Executive Session

Personnel matters were discussed.
The meeting adjourned at 6:27 PM.

The Chairman of the board announced that the Parking Authority will increase parking meters rates from \$1.00 per hour to \$1.50 per hour. The Parking Study conducted in late 2008 found that parking meter rates were too low and rates should be increased to match the hourly rate in the garages which is \$2.00 for the first hour. The Chairman further stated that due to the economy, the board is only recommending a \$1.50 hourly rate.

RPA Next Regular Meeting

The next board meeting is scheduled for 16 December 2009.