



COMMITTEE of the WHOLE

CITY COUNCIL

SUMMARY

June 6, 2022
5 pm
Hybrid Meeting

COUNCIL MEMBERS PRESENT:

D. Reed, C. Daubert – in person and M. Goodman-Hinnershitz, J. Cepeda-Freytiz, W. Butler - virtually

OTHERS PRESENT:

L. Kelleher, M. Gombar, J. Kelly, F. Lachat – in person and S. Smith - virtually

Ms. Goodman-Hinnershitz called the meeting to order at 5:02 pm. She stated that Ms. Cepeda-Freytiz asked her to chair the meeting this evening, as Ms. Cepeda-Freytiz is under the weather.

Mr. Gombar announced the need to go into executive session to discuss the settlement of litigation. Those listed above attended the executive session. The executive session concluded at 5:07 and the meeting was opened to the public. Mr. Gombar left the meeting. The following joined the meeting:

J. Stoudt, M. Rodriguez, K. Miller, F. Denbowski – in person and R. Tornielli virtually.

I. Redevelopment Authority Update

Mr. Denbowski stated that there is currently only one Redevelopment Authority (RRA) member and two (2) appointments are needed to allow the formation of a quorum which will allow the RRA to resume meetings. He stated that the mayor's office has had nine (9) people express interest but no applications have been submitted to date.

In the Chat feature, Ms. Smith stated that the Council office received one (1) RRA application which is being processed. On Tuesday, June 7th the Council Solicitor reminded the body of Council that due to the recent change in State law, City Council now has sole appointment power for RRA board members, mayor approval or nomination is not required.

Ms. Goodman-Hinnershitz stated that due to the importance of these appointments, interviews for RRA applicants will be performed by the body of Council, rather than by the Nominations and Appointments Committee.

II. Fire Marshal Update and FEMA Certification

Ms. Kelleher stated that unfortunately the Fire Marshal had a schedule change which created an unavoidable conflict and this presentation will be rescheduled for July.

III. Charter Board Amendment

Mr. Lachat called Council's attention to the Charter Board Ordinance amendment attached to the agenda. He summarized the proposed changes which:

- eliminate the costly advisory opinion process which is no longer necessary as all government officials now have access to the legal advice of their own solicitor; and
- creates avenues for a more streamlined and less drawn-out process which will allow for Charter disputes to be resolved in a more timely fashion rather than having to adhere to a protracted investigation process; and
- eliminate unnecessary confidentiality provisions and allows the subject to access the complaint at the beginning of the process which not only gives the subject a constitutional and fair process, but also makes it more likely that compliance can be achieved without costly hearings and appeals; and
- create a hearing officer to further ensure that the Board's adjudicatory role is independent from the Investigative Officer's investigatory role; and
- retain all of the required elements set forth in Charter Amendment I

Mr. Daubert questioned if "whistleblower" provisions are locally in place to provide retaliation protection for the complainant. Mr. Lachat stated that there are whistleblower provisions in the local and state Ethics Codes. He expressed the belief that the state version is overarching. *(Note: those protections are not in the Charter or the Charter Board ordinance)*

Ms. Kelleher noted that the Advisory Opinion powers are eliminated from the proposed ordinance and Advisory Opinions are required in the referendum approved by the electorate. Mr. Lachat stated that he would look into that issue. He expressed the belief that the ordinance provides opinions for boards, authorities and commissions that do not have legal counsel. *(Note: all advisory opinion language is eliminated in the proposed amendment)*

Ms. Reed inquired if a citizen can request an Advisory Opinion. Ms. Kelleher stated that only officials may request Advisory Opinions, including citizens appointed to boards, authorities and commissions.

Mr. Lachat expressed the belief that as Council and the administration both have separate legal representation, the need for Advisory Opinions is moot. He noted that Advisory Opinion requests usually inquire if a certain action will constitute a Charter violation and now Council and the administration can seek that advice from their legal counsel. Ms. Kelleher stated that

the Charter Board has always refrained from issuing Advisory Opinions when an action could result in a Charter violation. Mr. Lachat offered to revisit the Advisory Opinion language. Ms. Kelleher stated that the approved referendum also allows the Charter Board to initiate their own complaints. Mr. Lachat stated that the Board can initiate a complaint; however, the Investigative Officer will rule on the complaint, separating the Charter Board out of the decision making process.

Ms. Kelleher inquired about the meaning of the term “administrative body” that is used in the ordinance. Mr. Lachat stated that he will look into this issue.

Ms. Rodriguez inquired if the education/orientation for officials is still included. Ms. Goodman-Hinnershitz and Mr. Lachat stated that the requirement for education/orientation has been retained.

Ms. Goodman-Hinnershitz stated that this ordinance requires further work, noting that it will be pending until the ordinance is perfected.

IV. Summer Initiative Program

Mr. Moran stated that the motivation for the restart of this program was caused by the spate of youth violence that occurred earlier this year. He thanked Mr. Miller, HR Training & Employment Coordinator, for his work to create this program for high school students.

Mr. Denbowski quoted from a report commissioned by the School Board on the benefits of youth initiative programs. He introduced Mr. Miller who was employed by the City eight (8) months ago.

Mr. Miller stated that the purpose of the program is to provide purposeful activity for City youth. He summarized the material attached to the agenda:

To create a positive, safe summer experience to Reading School District students (ages 15 to 18) offering exposure to employment, academic and technical opportunities the City has to offer.

Focused Components and Objectives of the Program

- **Creating Leadership Skills**
 - Students can develop skills to advocate themselves as professionals, promote and follow policy.
 - The students will be exposed to professional mentors and role models in the professional workforce.
- **Financial Stability**
 - Students will be placed in employment positions to earn part time income.
 - The students will have discussions on budgeting with financial professionals.
 - The students will participate in a 20 hour work program a week, for a 10 week program at \$15.00 to \$18.00 an hour.
- **Education Credentials and Academic exposure - Students will be vetted through the Reading High Guidance and Career Development Team**

- Permanent Professional Networking - Students will create a professional and personal network within The City of Reading employees and administration.
- Funding through the ARPA funds

Mr. Miller stated that outreach has started to City schools and City businesses. Field trips to various businesses will be included to expose the students to different post high school employment opportunities.

In response to a question, Mr. Kelly stated that the program will require funding in the amount of \$100K to employ 36 students between the ages of 15-18 for 20 hours a week between July 5th and August 12th. He stated that 30-40 students from RHS have been identified to date. He stated that the Human Relations Commission, Mayor' Office, Recreation Commission and Library will be participating in this program. Administrative costs for background checks and increased liability insurance are included in the \$100K.

Ms. Reed inquired if Berks Catholic and home schooled students will be included. Mr. Miller stated that all students who are Reading residents will be included.

Ms. Goodman-Hinnershitz and Ms. Reed noted that as there are only a few days left in the academic year starting this program for the summer months could be challenging. Mr. Miller agreed but noted that the first year is considered a pilot program with hope that it will continue in the future.

Ms. Reed inquired why the need to fund this program with ARPA funding was not brought forward sooner. Mr. Moran stated that he discussed this need with Mr. Waltman and he agreed that it could move forward.

Ms. Reed inquired about Plan B if the use of ARPA funding is not approved. Mr. Denbowski stated that there is no Plan B; however, the administration could ask Council to consider funding the program using the available Fund Balance. He expressed the use of ARPA funding is appropriate as the administration is suggesting allocating \$1M in ARPA funding to anti-violence programming and this program falls under that category.

Mr. Moran stated that this program will get 36 students off the street for six (6) weeks and provide them with income.

V. ARPA Review Committee

Mr. Kelly stated that there are other organizations that have submitted ARPA applications for summer programming so it is important to define which Council members will be participating on the ARPA Review Committee so these applications can be considered.

Mr. Denbowski noted the need to include appointments to the ARPA Review Committee at the June 13th meeting. He stated that this committee will review the ARPA applications and

make recommendations to the body of Council. He stated that the mayor intends to appoint the following and City Council will need to appoint two sitting members and one citizen.

The Mayor's appointments are:

- Dolores Martinez –Mayors office
- Cindy Castner –Downtown Coordinator
- Maria Laboy- city resident
- Kevin Murphy Berks County Community Foundation –non profit

Ms. Kelleher suggested including the Auditor on the Committee. Mr. Denbowski agreed.

Ms. Reed, Ms. Goodman-Hinnershitz and Mr. Butler expressed interest in serving on the review committee. They were asked to discuss and come to an agreement prior to Wednesday.

Mr. Daubert noted that prior to determining interest the meeting schedule needs to be announced. Mr. Denbowski stated that the meeting schedule will be determined by those appointed. Mr. Kelly stated that his staff will be providing all the administrative support for these meetings.

Ms. Rodriguez inquired if the ARPA funds approved will be line items in the budget. Mr. Kelly stated that the approved programs will be included in the 2023 budget.

VI. Public Safety Reports

- **Fire**

Chief J. Stoudt highlighted the report that was distributed electronically:

- The construction of the 9th and Marion Firehouse is on schedule apart from a few delays
- The ramp for the SW Firehouse was completed
- The new 93 foot Tower Ladder apparatus will be delivered in June and operational in August. This apparatus will allow fire fighters to reach the top of buildings like Kennedy Towers.
- 100 smoke detectors were installed in 34 homes in the East Reading area. The next program will be in the Riverside neighborhood.
- The graduation of new paramedics occurred on May 6th. They are now working in the platoons they were assigned to.

- **Police**

Chief Torielli, in person, stated that the spate in youth gun violence in early March at Brookline playground, motivated a group to go to Reading High School on March 22nd and converse with students at the end of the school day about available programs and after school activities. He stated that between February 1st and March 22nd there were 9 youth under the age of 18 who were shot. The median age of gunshot victims is 24 and the age range is 13-48.

He noted that this number has decreased significantly since this interaction and enforcement began, showing its success. He stated that the Department continues to assess and reassess their operations and plans to continue to address youth gun violence.

Mr. Kelly inquired if the Police Department has adequate resources to continue this work. The Chief expressed the belief that the Department needs additional manning.

Ms. Cepeda-Freytiz inquired about the proper manning level for this Department and the proper pay scales to attract and retain officers as Reading exits Act 47.

Chief Tornielli noted the need to consider the size of the Department and pay of Reading police officers with care as the City leaves Act 47, as the exit will not make a large sum of money appear to immediately increase the size of the department and the salaries of officers along with the City's ability to continue to fund the Department at these levels moving forward.

Ms. Reed noted the increase in the use of dirt bikes on City streets and sidewalks. The Chief stated that officers are still able to pursue and seize these vehicles when they can do so safely. He added that the Department is purchasing two new motorcycles that have increased agility and are better equipped to pursue dirt bikes and ATVs that are being illegally used. He expressed the belief that generally there are more dirt bikes out there than there are officers to address the problem.

Ms. Cepeda-Freytiz inquired about the Youth Police Academy. The Chief stated that the academy is working well in partnership with Olivet. The academy puts between 15 and 20 youth through a program about law enforcement and future employment. He expressed the belief that post-pandemic participation will increase.

Ms. Cepeda-Freytiz inquired about the success of the 12 hour shift for patrol. The Chief stated that he is getting good feedback from officers and that a few administrative issues were addressed over the past few months. There will be a deeper assessment on the pros/cons including the overtime costs within the next few months. He expressed the belief that the 12 hour shift should assist with recruitment and retention as it offers officers more time off and shorter work weeks.

VII. Finance and HR Reports

- Finance Report

Mr. Kelly distributed hard copies of the quarterly report submitted by PFM to those physically present. He read the Key Findings from the report as follows:

Key Findings Revenues

Total **real estate tax revenues** were \$970,000 (or 3.9 percent) higher than budgeted and \$1.0 million higher than last year. Much of this is driven by prior year collections, which were \$805,000

(or 46.8 percent) higher than budgeted.

□ The City's total **earned income tax (EIT) revenues** were \$21.1 million, exceeding this year's budget target by \$897,000 (or 4.4 percent) and last year's collections by \$489,000 (or 2.4 percent). Prior to the pandemic, EIT revenues were closer to \$22 million per year. EIT revenue has partially rebounded from the COVID-driven drop of 2020, but is not all the way back.

□ **Real estate transfer tax revenues** exceeded 2020 collections by \$2.2 million (or 33.5 percent) and were \$4.1 million higher than budgeted for the year. The \$8.9 million collected in 2021 offset the decreases seen elsewhere. The City should decide how to use excess transfer tax revenue as a safeguard against becoming overly dependent on it to fund daily operations.

□ Revenue from **charges for service** were \$835,000 (or 22.5 percent) higher in 2021 than in 2020, and the City collected 93.3 percent of its budget target. Revenues for EMS user fees, the largest revenue source in this category, were in line with the amount budgeted for 2021.

Expenditures

□ While the City had vacancies in some departments during 2021, its spending on **salaries and wages** across the General Fund matched budget almost exactly (\$30.7 million) and finished 3.9 percent higher than in 2020, which is in line with the base salary increases employees received. The average number of filled police officer positions also matched the budgeted figure, though the number of filled positions was more than budgeted early in the year and less at the end.

□ The City spent \$1.5 million (or 44.7 percent) more than budgeted on **overtime** and \$654,000 (or 15.6 percent) more than in 2020. Much of the increase occurred in the Fire Department where the City exceeded its budget on salaries plus overtime by \$0.8 million (or 7.3 percent)

□ As discussed in the 2019 Exit Plan, the City previously budgeted more than it needed for **employee health insurance (fringe benefits)** expenditures. This problem has been rectified. In 2021, the City's actual spending on fringe benefits was \$84,000 (or 0.6 percent) less than budgeted. Since the City is self-insured, the cost of medical claims will be volatile from one year to the next, but the budget process has improved.

□ Spending on **operating costs** came in \$3.1 million (or 26.4 percent) below the budget target because the City spent much less than allocated for contracted services and other operating costs. In comparison to prior year spending, operating costs were \$137,000 (or 1.5 percent) lower than in 2020. We have identified a few lines with variances over \$100,000 in 2021 that the City should monitor this year.

Mr. Kelly suggested moving a percentage of the Real Estate Transfer Tax to Capital to replace some of the Commuter Tax that will cease when the City leaves the Act 47 program.

Mr. Daubert inquired about the discrepancy between the number of police officers budgeted and the actual headcount. Mr. Kelly stated that the number of officers budgeted is 168. Chief Tornielli stated that the actual headcount is roughly 158.

Ms. Reed questioned if the City attempts to recapture training costs for officers who quickly leave after graduating from the academy and begin to fill patrol assignments. Chief Tornielli stated that if a new officer leaves in less than two (2) years after being hired, the hiring municipality is billed for the training, uniforms, etc. under State law. There is some return on the initial investment, but not enough.

Ms. Goodman-Hinnershitz agreed with the need for additional police officers but noted the need to carefully assess the City's ability to cover those increased costs moving forward.

- **HR Report**

Mr. Denbowski called Council's attention to the HR report on unfilled positions distributed electronically and in hard copy. He stated that three (3) management positions have been filled: 2 at the WWTP and the Zoning Administrator (June 16th). Nine (9) Rank and File positions have been filled. Interviews for other unfilled positions continue.

Mr. Denbowski noted that the electorate did not approve the referendum question that would have eliminated the engineer requirement for the Public Works Director. He stated that the strategy to fill a public engineer position is more challenging. Ms. Kelleher stated that the Charter requires a city engineer, not a public engineer. It should be easier for the City to attract a city engineer, as this field is larger.

(a) The Department of Public Works is mandated by this Charter. The Mayor shall appoint and fix the compensation of the head of the Department of Public Works/City Engineer. He shall be a professional civil engineer registered in Pennsylvania, and shall perform the duties required through the Administrative Code or other action, or as may be required of a City Engineer by general law.

Mr. Denbowski stated that there has been an uptick in applications for key upper management positions. Those applications are being reviewed by the mayor. He expressed the belief that the nationwide search for upper management positions will be refined to the Commonwealth.

VIII. Other

Ms. Goodman-Hinnershitz noted the receipt of an email related to the relocation of those who were causing noise problems at the Pagoda to the overlook near List Road in Lower Alsace Twp. since the Pagoda parking lot is closed when the park closes at dusk. She stated that the area is difficult for Reading and Central Berks to monitor. She suggested a collaboration between the two (2) departments to address this problem.

Respectfully Submitted by Linda A. Kelleher, CMC, City Clerk