

MINUTES

Reading Parking Authority

26 October 2011

The Reading Parking Authority held their meeting on Wednesday, 26 October 2011 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

Mark Cianciosi, 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)

Carol Duran, Reading Eagle

Mike Setley, Concord Public Finance

The meeting was called to order by the Chairman of the Board at 5:30 PM.

Public Comments

None

Guest

Mr. Mike Setley presented an opportunity for the board to refinance our Build America Bond (BAB) with Fulton Bank. The proposal seeks approval to refinance if the net gain (reduction to the bond) to the Parking Authority is in the \$50,000-\$80,000 range. Current bank rates would make this proposal a viable option to reduce our bond which is currently at \$5,573,956 for the BAB. A motion was made by Mr. Lantrip and seconded by Mr. Darlington. Motion 2011-43 passed.

Reading and Approval of the Minutes

Motion 2010-39 was made by Mr. Polyak to accept the minutes from the last meeting. The motion was seconded by Mr. Darlington. The motion passed.

Correspondence

None.

Executive Director's Report

The Operating budget of \$5,541,500 is 2% greater than the 2011 budget of \$5,441,500. The most significant change in the budget is the 380% increase (\$10,000 to \$38,000) projected for the Professional fees line item. This item will cover the anticipated \$30,000 estimate for a district justice to hear civil cases at the Reading Parking Authority. An additional \$15,000 in computer expenses will also be required to process civil parking adjudication. The Act 47 directed contribution from the Reading Parking Authority will increase from \$950,000 to \$1,000,000 in 2012.

Telephone fees should be reduced by 28% from \$25,000 in 2011 to \$18,000 in 2012. Consolidation of revenue control requirements via the internet will significantly reduce these fees. Unemployment will be up slightly in 2012 as a result of the booth attendant layoffs in 2011.

Description	Off Street	On Street	Sovereign Center	BARTA	Total Budget
Wages	970,000	275,000	49,000	6,000	1,300,000
Utilities	215,000				215,000
Insurance	290,000				290,000
Repairs & Maintenance	128,000	9,000		3,000	140,000
Pension Plan	85,000				85,000
Taxes - Payroll	79,250	21,000	4,000	750	105,000
Bank Charges & Fees	46,000	4,000			50,000
Operating Supplies	30,400		3,600	1,000	35,000
Rent - Redevelopment Authority	24,000				24,000
Truck Expense (Repl., Repair & Maint.)	17,000	3,000			20,000
Legal	38,000		1,000	1,000	40,000
Telephone	18,000				18,000
Employee Training and Education	2,000				2,000
Office Supplies	18,000	7,000	1,000	1,000	27,000
Professional Fees	38,000				38,000

Accounting	11,000				11,000
Advertising	1,000	500	500		2,000
Dues & Subscriptions	1,000	500			1,500
Payroll Service	5,000				5,000
Computer Expenses	10,000	55,000			65,000
Travel	1,000				1,000
Miscellaneous Expenditures	9,000	3,000			12,000
Lease of Parking Meter Plant		400,000			400,000
Depreciation	1,650,000				1,650,000
Unemployment	5,000				5,000
City of Reading Contribution	1,000,000				1,000,000
TOTALS:	4,691,650	778,000	59,100	12,750	5,541,500

Capital Improvement for 2012

- | | |
|---|----------|
| 1. Revenue Control Equipment for Wyndham | \$52,000 |
| 2. PEO Truck Replacement | \$17,480 |
| 3. Civil Ticket Process (hardware, programming, scheduling, DJ) | \$17,000 |
| | \$86,480 |

Funding Line

- | | |
|--|------------------|
| 4. Computer upgrades (software & hardware) | \$19,000 |
| 5. Resurface 7W | \$58,000 |
| 6. Revenue Control Equipment at 7 th and Washington | \$60,000 |
| 7. City wide parking availability signage | \$650,000 |
| | \$787,000 |
| TOTAL | <u>\$873,480</u> |

*Note:

The executive director would like to continue with the restricted cash account to address emergency and unscheduled major construction requirements. Specific activities would include, but not be restricted to: parking deck replacement/repairs, revenue control repairs/replacements and upgrades, post tensioning repairs as it relates to emergency safety repairs, and catastrophic elevator maintenance. Based on the \$75 per space maintenance recommendation of the parking study the account should contain \$510,675. Additional monies would be required if an unscheduled major construction project is identified. The challenge of monitoring our cash flows to meet fiduciary responsibilities without borrowing any more money will be the key to a successful 2012.

A motion will be required to accept the proposed budget and capital improvement items.

Meter Enforcement

The extended 8PM meter enforcement from 6PM and extended hourly feed from one hour to two hours in the immediate block around the Sovereign Center was initiated on 22 Oct 11. The Authority will issue "warnings" for the first two hockey games.

Meter Update

The Authority purchased 384 electronic parking meters from McKay as directed at the September board of director meeting. All mechanical meters were removed and replaced with the electronic meters. None of the 384 parking meters failed the required meter certification. All meters around the Sovereign Center were installed with face plates indicating required feed times. All meters are now \$1.50 per hour except for the State lot that is \$2.00 per hour.

Parking Ticket Processes

Coordination is ongoing with Duncan Solutions to implement processes with civil ticket procedures. Clarifications of the draft contract were requested on 6 October 2011. A response was provided late today and will be reviewed by the staff and ultimately the solicitor. We are awaiting legislative action in Harrisburg.

General Liability and Workers Compensation Insurance

The Authority is pursuing a number of potential vendors to satisfy our insurance needs for 2012 (workers compensation and general liability). A proposal should be ready for the November board meeting.

Reading Express Arena Football

The Authority has completed a parking agreement with the Reading Express Area football team for special parking for 2012. The agreement mirrors the Reading Royal agreement highlighted by \$5.00 parking with a \$2.00 special event parking day. The agreement also provides parking for Youth League Football for \$2.00 per vehicle at the South Penn garage. A motion is required to finalize the agreement along with the chairman's signature.

2011 Budget Review

The Finance Manager will address the financial status of the Budget/Revenue for 2011.

-Operating Budget: The Authority is \$ 202,849 ahead of budget projections for operations.

However, it should be noted that some line item numbers have been paid in advance and other are paid once per year (pension) skewing the report.

-Revenue Report: The Authority revenues are \$301,492 ahead of last year's revenue at this time. Violation revenues have improved and are currently \$170,763 ahead of violation revenues from last year (2010). Increased ticket prices and out of state collections are accounting for the increase.

-Cash Flow: The cash flow as of 30 September 2011 is \$6,291,756 compared to \$6,968,808 in 2010. Expenses have increased significantly as our Act 47 contributions are captured in this line item.

Motions for the Board

1. That the board passes a motion to accept the minutes from the last board meeting. Motion 2011-39.
2. That the board accepts the accounts payable from the previous meeting. Motion 2011-40.
3. That the board accepts the programmed budget and capital improvements for 2012. Motion 2011-41 was made by Mr. Lantrip and seconded by Mr. Cianciosi. The motion passed.
4. That the board accepts the mutually beneficial contract for parking for the 2012 Reading Express football season. Motion 2011-42 was made by Mr. Darlington and seconded by Mr. Cianciosi. The motion passed.
5. That the board approves Concord Financial to prepare a proposal for the board o director's consideration relative to refinancing of the 2009 BAB with potential savings between \$50,000 - \$80,000 on the life on the bond.

Solicitor's Report

The solicitor reported that he has attempted to receive an update on the status of the legislation for civil ticket processing. Nothing to report to date.

The solicitor also informed the board that he felt a friendly reminder by way of letter to CNA would be in order reminding them of their contractual parking agreement with the Parking Authority through 2014. The executive director in coordination with the solicitor will forward the correspondence in the near future to CNA.

Approval of Accounts Payable

Motion 2011-40 was made by Mr. Lantrip and seconded by Mr. Cianciosi to accept the accounts payable. Motion 2011-40 passed.

Old Business

None

New Business

The Authority will initiate labor management meetings on 3 November to address some concerns on behalf of the union. The process will also help towards negotiations that will commence in January on the labor contract.

Other Business

The executive director reported gate damage at the 4th and Cherry garage and the video cameras caught the customer on tape. The Authority will forward a letter to the vehicle owner requesting restitution for damages.

The executive director also reported that our security manager, Jon Haney responded to a break in at our DoubleTree garage and noticed the individual walking down the street a few hours later. The police were called and an arrest was made.

Executive Session

Executive session included contract negotiations and personnel issues. The meeting adjourned at 6:25 PM.

RPA Next Regular Meeting

The next board meeting is scheduled for 16 November 2011.