

MINUTES

Reading Parking Authority

25 August 2010

The Reading Parking Authority held their meeting on Wednesday, 25 August 2010 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, Secretary

Mike Polyak, Board Member

Mark Cianciosi, Board Member

Absent

None

Others Present

Lawrence Lee, Executive Director, RPA

James Lillis, Solicitor

Christina Gilfert, Finance Manager, RPA

Guest(s)

David Kostival, Reading Eagle

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

Public Comments

None

Guest

None

Reading and Approval of the Minutes

Motion 2010-29 was made by Mr. Lantrip to accept the minutes from the previous meeting. The motion was seconded by Mr. Cianciosi. The motion passed.

Correspondence

The Executive Director shared a "Thank You" note from an RPA employee for keeping good health benefits for the employees.

Executive Director's Report

Convention Center Garage

Completion percentages for the garage are as follows: 88.8% for MBR's \$846,184; 96.8% for Whiting Turner's total of \$11,298,895; and 91.8% for Dual Temp's \$183,333. A total of \$1.80MM remains on the \$12.28MM contracts.

The Authority has submitted our third pay request from the grant on 25 July.

The Authority paid down \$2,412,000 on 24 June on the bridge loan per board directive in June 2010. We left \$1,000 owed because if the Authority paid off the entire amount then we could no longer draw on the remaining \$6MM bridge loan. The Authority will probably need to borrow again on the bridge loan before the grant proceeds are received.

The grand opening for the garage will be 31 August. The Executive Director also shared a first look at the new plaque to be attached to the DoubleTree Convention Center garage.

Meeting with the Mayor

The executive director met with the Mayor on 4 August 2010 and again on 19 August with the Chairman of the board to discuss possible new revenue streams for the Parking Authority.

Discussions included the following:

- Board to look at \$1.50 per hour for parking meters. Currently \$1.25. Potential beginning date 1 Jan 11. The Authority has yet to approve the increase for the meters.
- Board to look at \$12.50 increase per parking ticket. The Executive Director cautioned against the increase citing a 300% increase in meter tickets in the last six years, indicating that our fees would be higher than Philadelphia for 60% of our tickets, that rate increase on meters in 2010 has resulted in less revenue, that 3,000 less meter tickets have been written so far this year for a revenue loss of \$45,000, and that businesses may be adversely affected by a \$27.50 meter ticket. Mr. Cook said that the city needs money and the board and the Reading Parking Authority is committed to helping the city. Further, he stated that the additional assistance in revenue should come from the people that break the law. Mr. Polyak interjected that he would be very concerned about a \$27.50 meter ticket and its impact on local businesses. After discussion the board agreed to support the \$12.50 surcharge on all tickets except meter tickets. A motion to recommend to city council a surcharge of \$12.50 on all parking tickets except parking meters was made by Mr. Lantrip and seconded by Mr. Polyak. The motion 2010-31 passed.
- Administration to define city employee parking fees to commence 1 Jan 11.
- Authority to examine potential long term parking in garages at \$50.00 per month.
- DJ adjudication. All parties to make every effort to increase revenue from the DJs.
- Authority to provide 5 year plan to Act 47 coordinator, Dean Chaplain. A forecast was provided to Mr. Chaplain.
- Discussion on towing and the potential to only purchase 1 tow truck. Executive Director warned of "legal issues" with expanding parking scope of work for the RPA. Doubt revenue to overtake costs (truck costs, secure tow yard, radios, admin space & personnel costs, salvage license, 24 hour operations, enough tows to offset costs, etc).
- Discussed 2010 revenue status. With estimate of \$400,000 "profit" over the next two months the Authority would sit with \$7MM in Sep 2010. With bond payment of \$4MM and \$1MM in operating account for grant payments leaves the Authority with \$2MM. Our safe operating budget per our

auditors is \$2MM. No room for payment in 2010, but will continue to evaluate. The executive director and the board of director's are cautious about the Authority's ability to meet the Act 47 assessments from the Parking Authority from 2010-2014.

Employee Health Insurance

The Executive Director is pursuing employee health care options as the current contract with various vendors. Our current contract ends on 1 October.

General Liability and Worker's Compensation

The Authority is seeking insurance coverage for the organization. Our current coverage is with Ohio Casualty and EHD is the insurance broker. Our current insurance expires on 1 Dec 10. I am concerned over the worker's comp insurance as we have had an abnormal amount of claims this past year.

Budget Review

The Finance Manager addressed the status of Budget/Revenue for 2010.

Operating Budget: The Authority is currently \$132,261 under budget. Some line items are paid annually (pension) and can skew the monthly snap shot. Depreciation will be significantly increased once we put the DoubleTree Convention Center into service.

Revenue Report: The Authority is \$58,100 behind our revenue from the same period this time last year. Violations have fallen significantly by \$121,000 from the same time as last year. The Executive Director stated that we will have the Parking Enforcement Supervisor here next month to address the violations shortfall.

Cash flows: Cash flows are steady and comparable to last year. It should be noted that the cash flow does include grant monies received with an additional \$900,000 in the operating account to pay for July and August construction. The finance manager reminded the board that the Authority has a \$4.0MM bond payment in October along with additional closing construction costs that need to be paid by the end of the year.

Motions for the Board

1. That the board passes a motion to accept the minutes from the last board meeting. Motion 2010-29.

2. That the board accepts the accounts payable from the previous meeting. Motion 2010-30.

3. That the board supports an initiative by city council and the administration to apply a \$12.50 surcharge on all parking tickets (except meter tickets) issued in the city. Motion 2010-31 passed.

4. That the board approves the shared revenue and parking agreement with the Sovereign Center for 2011. Motion 2010-32 passed.

Solicitor's Report

The solicitor reported that he was successful in his appeal to the zoning board relative to the decision on 225 Penn Street last fall. The decision was not overturned, but the fiefdom or authority to manage all parking in the city remains with the Parking Authority.

Approval of Accounts Payable

A motion was made by Mr. Lantrip to accept the previous month's accounts payable and was seconded by Mr. Cianciosi. Motion 2010-30 passed.

Old Business

None

New Business

The Executive Director presented the 2011 shared revenue and parking agreement with the Sovereign Center for signature. Mr. Lantrip made the motion to accept the agreement and the motion was seconded by Mr. Cianciosi. Motion 2010-32 passed.

Other Business

The Executive Director informed the board of a warranty repair at the Second and Washington garage for the rubberized waterproof flooring on the second level. There will be no charge for the repairs.

Executive Session

The board broke for executive session at 6:25 PM and reconvened at 6:40 PM. Legal and personnel matter were discussed.

The meeting adjourned at 6:40 PM.

RPA Next Regular Meeting

The next board meeting is scheduled for 29 September 2010.