

# **MINUTES**

## **Reading Parking Authority**

**23 September 2009**

The Reading Parking Authority held their meeting on Wednesday, 23 September 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)**

David Kostival, Reading Eagle

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

### **Public Comments**

None

### **Guest**

None

The Chairman welcomed our newest board member, Michael Polyak.

### **Reading and Approval of the Minutes**

Motion 2009-73 was made by Mr. Darlington to accept the minutes from the August meeting. The motion was seconded by Mr. Lantrip. The motion passed.

### **Correspondence**

The Executive Director reported to the board that a request was made by the subcontractor, Sweeney Construction, to have the Parking Authority responsible for the soil being excavated and removed from the convention center garage site. The Executive Director explained that the soil is approved by our independent testing agency and then becomes the responsibility of the general contractor for disposition. The solicitor will review further.

### **Executive Director's Report**

#### Convention Center Garage

The Parking Authority had a ground breaking ceremony on 4 Sep 09. Construction began the week of 8 Sep 09. MET-ED has forwarded their costs associated with the convention/garage electric vault costs:

DoubleTree Parking Garage Met-Ed Project: \$129,248.87

DoubleTree Hotel Met-Ed Project Cost: \$94,731.30

The Authority was notified by the Department of Labor that our request to post prevailing wages on the internet for the convention center garage has been accepted and is available on [http://www.dli.state.pa.us/landi/LI\\_Apps/ProjectView.asp?i=53472](http://www.dli.state.pa.us/landi/LI_Apps/ProjectView.asp?i=53472).

The excavator experienced some early challenges in the ground. First, a vault with concrete walls was discovered in the northwest corner of the property. Old steam pipes and collapsed building debris will increase the excavation costs. Some asbestos tiles were also discovered and were tested. Asbestos was found in one of the samples. Disposition/removal will be accomplished the week of 28 Sep 09.

A live 13,000 volt electric line is also being addressed in the same area. Options to address the problem include: Removal and relocation of the electric line at a cost between \$60-\$90K; Demolish the existing duct bank and construct a new duct bank with MET-ED and our utilities included in the same duct bank; and Move the entire garage six feet east and leave the existing duct bank alone with an early estimate of approximately \$120,000, but with more information need to complete the estimate.

#### \$6MM State Grant for the Convention Center Garage

The grant auditor noted that "The Grantee shall not assign any interest in this contract, and shall not transfer any interest in this contract by notation or assignment without written consent of the Office of the Budget which consent may be granted or withheld at OB's discretion." The existing bridge loan documents with METRO Bank pledge the grant monies to the bank which is in violation of state grant policies. Therefore, it was recommended that the documents be amended to provide the bank with a pledge by the RPA of "all revenues, receipts, and monies derived from, or in connection to, the Parking System of the Reading Parking Authority". We are awaiting approval of this language from the bank board of directors and will subsequently amend the bridge loan documents. A motion is required.

US Bank requested \$3,000 in closing costs for the BAB loan. US Bank is the trustee for all Authority loan/bond transactions. US Bank is also requesting a standard authorization to act on the Authority's behalf to invest/reinvest and other available monies that require action relative to the BAB loan. After consult with the solicitor, both documents were signed by the Executive Director and forwarded to US Bank.

The solicitor further stated that he had received and finalized the Build America Bonds (BAB) for the financing of \$8.2MM with Fulton Bank for the garage. The documents were executed during the meeting. Closing on the BAB will be 30 Sep 09. As a result of this action the Authority will sever our relationship with National Penn that originally loaned the construction money (\$8.7MM) to the Authority.

#### Parking Meter Upgrade

The Parking Authority and StreetSmart Technology are working with the State of Pennsylvania (Department of Transportation) to authorize loop installment on state roads. The hardware and software technology is not compatible with our current ticket writing system, Clancy. The finance manager quantified the limited revenues projected from the new meters to the board. The Executive Director further stated that with the \$776,000 unexpected repairs to 4<sup>th</sup> and Cherry and the unanticipated costs at the convention center garage, he could not recommend at this time to pursue another financial initiative with the StreetSmart meters.

#### 4<sup>th</sup> and Cherry Garage

The first driving lane of repairs has been completed. Subsequent work is ongoing. Work is scheduled to continue into December. Traffic congestion and excessive dirt are constant burdens to our customers during the construction.

#### Lamar Advertising

The Executive Director has received and signed the Lamar Advertising Agreement for advertising inside our facilities to include Boscov Plaza. Advertising will commence on 1 Oct 09. The first signs were put into place today at the South Penn garage.

#### Boscov Plaza Repairs

The contractor met with the Authority to review the problem areas of the rubber sealer used over the retail spaces at Boscov Plaza. A Tremco product representative along with Philly-Wide Restoration (that did the installation) will meet the week of 14 September to determine the cause of the rubber pulling up from the concrete. The repairs are covered under warranty and will be completed before the cold weather.

#### New Board member

The Executive Director has received confirmation from Mayor McMahon of the appointment of Mr. Michael Polyak to the Board of Directors of the Reading Parking Authority. Mr. Polyak brings a wealth of small business experience to the board and he is a long time resident of the City of Reading.

#### "Door Buster"

The Executive Director received an anonymous tip on the perpetrator that smashed the front door of the office on Flag Day (Observed 15 June). The police reviewed the security footage and confronted a suspect. The suspect admitted to the damages and a trial is forthcoming.

#### Budget Review

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

-Operating Budget: The Authority's eight month budget is at \$2,652,333 and we are currently \$80,989 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 snapshot at any particular month in the year.

-Revenue Report: The Authority revenues are \$49,054 above last year's revenue at this point in time. Ms. Reed noted that Second and Washington revenue was up significantly. The finance manager stated that 2/W was open for only part of the year a year ago; hence the revenue change compared to this year.

-Cash Flow: The cash flow as of 31 August 2009 is \$5,540,953 compared to \$8,786,141 in 2008. The \$4M to the city is reflected in the cash flow statement for August although the check has not been cashed.

#### Motions for the Board

1. That the board passes a motion to accept the minutes from the August meeting. Motion 2009-73.
2. That the board accepts the accounts payable from the previous meeting. Motion 2009-74.
3. That the Parking Authority approves amended terms to the bridge loan agreement to meet the regulatory requirements of the state grant. Motion 2009-75. Motion 2009-75 was made by Mr. Lantrip and seconded by Mr. Darlington. The motion passed.

4. That the Authority approve the addendum to the parking facility contract to extend parking to RACC from Aug 2017 to August 2032 for 750 parking spaces at the Front and Washington garage with annual increases based on the consumer price index for US City Average Index on 30 June of each additional year on the contract. Motion 2009-76 was made by Mr. Lantrip and seconded by Ms. Reed. The motion passed.

5. That the board approves the parking agreement with the Sovereign Center (Berks County Convention Center) and the Reading Royals for 2010. There are no price increases for parking in either contract from 2009. Motion 2009-77 was made by Mr. Lantrip and seconded by Mr. Darlington. The motion passed.

#### **Solicitor's Report**

Mr. Lillis presented a revised amendment to the Reading Area Community College parking lease of the Front and Washington garage for all 750 parking spaces which currently ends on 31 August 2017. The extended lease could take effect not earlier than 31 December 2015 with a sixteen year extension through 31 August 2032 with annual increases based on the consumer price index for the US City Average Index on 30 June for that year.

#### **Approval of Accounts Payable**

Motion 2009-74 was made by Mr. Darlington and seconded by Ms. Reed to accept the accounts payable. Motion 2009-74 passed.

#### **Old Business**

None

#### **New Business**

New parking agreements with the Sovereign Center and the Reading Royals were presented for approval for 2010 (Sep 09-Aug 10). Agreements remain basically the same from 2009 with no increase for parking.

#### **Other Business**

The Executive Director is seeking restitution for a light pole destroyed as a result of a vehicle accident at the corner of 5<sup>th</sup> Street and Cherry Street. Progressive Insurance is expected to reimburse the Parking Authority.

#### **Executive Session**

Personnel matters were discussed.  
The meeting adjourned at 6:23 PM.

#### **RPA Next Regular Meeting**

The next board meeting is scheduled for 28 October 2009.