



CITY COUNCIL

Meeting Agenda

**REGULAR MEETING
2014**

MONDAY, MAY 12,

COUNCIL CHAMBERS

7:00 P.M.

The Regular Meetings of City Council are filmed and can be viewed LIVE while the meeting is taking place or at your convenience at any time after the meeting on the City's website at www.ReadingPa.gov, under Info and Downloads/Meetings and Agenda. All electronic recording devices must be located behind the podium area in Council Chambers and located at the entry door in all other meeting rooms and offices, as per Bill No. 27-2012.

RULES FOR PUBLIC PARTICIPATION AT COUNCIL MEETINGS

The Administrative Code, Section § 5-209 defines public participation at Council meetings.

1. Citizens attending Council meetings are expected to conduct themselves in a responsible and respectful manner that does not disrupt the meeting.
2. Those wishing to have conversations should do so in the hall outside Council Chambers in a low speaking voice.
3. Public comment will occur only during the Public Comment period listed on the agenda at the podium and must be directed to Council as a body and not to any individual Council member or public or elected official in attendance. Clapping, calling out, and/or cheering when a speaker finishes his comments is not permitted.
4. Citizens may not approach the Council tables at any time during the meeting.
5. Any person making threats of any type, personally offensive or impertinent remarks or any person becoming unruly while addressing Council may be called to order by the Presiding Officer and may be barred from speaking, removed from Council Chambers and/or cited.
6. Failure to abide by these regulations could result in your removal from Council Chambers and/or a citation. These regulations are meant to avoid disruptions at the meeting and they are not meant to interfere with public participation.

1. OPENING MATTERS

A. CALL TO ORDER

B. INVOCATION: Pastor Gerald Prentice, Representative of Reading Vicinity
Ministerium Association

C. PLEDGE OF ALLEGIANCE

D. ROLL CALL

The purpose of the Executive Session on Monday, April 28th and Monday, May 5th was related to a personnel matter about a potential employee.

2. PROCLAMATIONS AND PRESENTATIONS

- None

3. PUBLIC COMMENT – AGENDA MATTERS:

Citizens have the opportunity to address the Council, by registering with the City Clerk by 5 pm on the day of the scheduled Council meeting or by legibly printing their name, address and the subject matter to be discussed on a sign-up sheet found on the podium in Council Chambers between 5 pm and 7 pm on the day of the scheduled meeting. All remarks must be directed to Council as a body and not to any individual Council member or public or elected official in attendance. Any person making personally offensive or impertinent remarks or any person becoming unruly while addressing Council may be called to order by the Presiding Officer and may be barred from speaking before Council, unless permission to continue speaking is granted by the majority vote of Council.

All comments by the public shall be made from the speaker's podium. Citizens attending the meeting may not cross into the area beyond the podium. Any materials to be distributed to Council must be given to the City Clerk before the meeting is called to order.

Those commenting on agenda business shall speak at the beginning of the meeting and shall limit their remarks to 5 minutes. Those commenting on general matters shall speak after the legislative business is concluded and shall limit their remarks to 3 minutes. No comments shall be made from any other location except the podium, and anyone making "out of order" comments may be subject to removal. There will be no demonstration, including applause or cheering, at the conclusion of anyone's remarks. Citizens may not ask questions of Council members or other elected or public officials in attendance.

4. APPROVAL OF AGENDA

A. MINUTES: Regular Meeting of April 28, 2014

B. AGENDA: Regular Meeting of May 12, 2014

5. Consent Agenda Legislation

A. Resolution 59-2014 – authorizing an amendment of the 2014 CDBG Action Plan to program \$250,000.00 in un-programmed CDBG funds for the PY2014 CDBG Microenterprise Loan Program activity. **(CD)**

B. Resolution - authorizing an amendment to the 2014 CDBG Action Plan to program \$100,000.00 in un-programmed CDBG funds for the PY2014 CDBG Microenterprise Grant Program activity. **(CD)**

A. Resolution - authorizing the disposition of the 2006 and 2007 invoices for the Administrative Services Department, Finance area **(Adm Services)**

6. ADMINISTRATIVE REPORT

7. REPORT FROM OFFICE OF THE AUDITOR

8. REPORT FROM DEPT. DIRECTORS, BOARDS, AUTHORITIES, & COMMISSIONS

9. ORDINANCES FOR FINAL PASSAGE

Pending – Further Legal Review Required

Bill 37-2014 – dissolving the Reading Area Water Authority, approving the Certificate of Termination of the Authority, and authorizing all actions necessary to effectuate the same. **(Law/Council Staff)** *Introduced at the March 31 special meeting; tabled at the April 14 regular meeting*

Bill 41-2014 – creating the Reading Regional Water Authority **(City Council)** *Introduced at the April 14 regular meeting*

D. Bill 46-2014 – notifying the Reading Area Water Authority and other parties about the termination of the water lease **(Council Staff)** *Introduced at the April 28 regular meeting*

A. Bill 39-2014 - amending the City Code Chapter 308, Housing, of the Codified Ordinances to eliminate the tenant listing requirement and provide for injunctive relief **(Man Dir)** *Introduced at the April 14 regular meeting; Advertised April 22*

B. Bill 44-2014 – amending the Purchasing Policies in the Administrative Code **(Adm Services & Council Staff)** *Reviewed by Finance Committee on April 21; Introduced at the April 28 regular meeting*

C. Bill 45-2014 - amending Chapter 212, Fee Schedule, Section 120 Parks and Recreation, of the City of Reading Code to add a rental fee for Egelman's Park (**Recreation Commission**)
Introduced at the April 28 regular meeting

10. INTRODUCTION OF NEW ORDINANCES

A. Ordinance – authorizing a project labor management agreement for building projects in the City (**Mayor's Office**)

11. RESOLUTIONS

A. Resolution – reappointing Joseph Amprey to the Board of Ethics (**Nom & Appts**)

B. Resolution – reappointing Cynthia LaSota to HARB (**Nom & Appts**)

C. Resolution – appointing Nick Wooten as Fire Chief (**Mayor**)

12. PUBLIC COMMENT – GENERAL MATTERS

Please see public speaking rules on second page

13. COUNCIL BUSINESS / COMMENTS

14. COUNCIL MEETING SCHEDULE

Monday, May 12

Committee of the Whole – Council Office – 5 pm

Regular Meeting – Council Chambers – 7 pm

Tuesday, May 13

Town Meeting LRA Update – 7th Day Adventist Church, Kenhorst Blvd – 6:30 pm

Monday, May 19

Standards of Living Committee – Council Office – 5 pm

Finance Committee – Council Office – 5 pm

Monday, May 26

City Hall Closed – Happy Memorial Day

****Tuesday, May 27****

Committee of the Whole – Council Office – 5 pm

Regular Meeting – Council Chambers – 7 pm

15. BAC AND COMMUNITY GROUP MEETING SCHEDULE

Monday, May 12

Fire Civil Service Board – Penn Room – 4 pm

6th & Amity Neighborhood & Playground Assn – 6th & Amity Field house – 6:30 pm

Tuesday, May 13

Water Authority Workshop – Water Authority Office – 4 pm

District 11 Crime Watch – Orthodox Presbyterian Church – 7 pm

Wednesday, May 14

Zoning Hearing Board – Penn Room – 5:30 pm

Human Relations Commission – Human Relations Commission Office – 6 pm

Center City Community Organization – Holy Cross Church – 6 pm

Thursday, May 15

Blighted Property Review Committee – Council Office – 6 pm

Monday, May 19

DID Authority – 645 Penn St 5th floor - noon

Library Board – 113 S 4th St – 4 pm

Tuesday, May 20

HARB – Penn Room – 7 pm

Wednesday, May 21

Redevelopment Authority – Redevelopment Authority Office – 6:30 pm

Tuesday, May 27

Housing Authority Workshop – WC Building – 4 pm

Housing Authority – WC Building – 5 pm

Planning Commission – Penn Room – 7 pm

Penns Commons Neighborhood Group – Penns Commons Meeting Room – 7 pm

City of Reading City Council
Regular Business Meeting
Monday, April 28, 2014

Council President Francis Acosta called the meeting to order.

The invocation was given by Rev. Carolyn Hetrick, Holy Spirit Lutheran Church.

All present pledged to the flag.

ATTENDANCE

Council President Acosta

Councilor Daubert, District 1

Councilor Goodman-Hinnershitz, District 2

Councilor Sterner, District 3

Councilor Marmarou, District 4

Councilor Reed, District 5

Councilor Waltman, District 6

City Auditor D. Cituk

City Solicitor C. Younger

City Clerk L. Kelleher

Managing Director C. Snyder

Council President Acosta announced that the purpose of the Executive Session during the April 23rd meeting was to discuss the potential litigation related to the dissolution of the Reading Area Water Authority and potential litigation to compel the transfer of the Authority's assets to the City.

PROCLAMATIONS AND PRESENTATIONS

City Council issued the following commendations:

- recognizing Perfect Candy and Packaging Co, accepted by Robert Erkes
- recognizing AFSCME Week, accepted by AFSCME representatives

PUBLIC COMMENT

Council President Acosta stated that there were fourteen (14) citizens registered to address Council on agenda matters and two (2) citizens registered to speak about non-agenda

matters this evening. He reminded those registered about the public speaking rules. He inquired if any Councilor objected to suspending the public comment rule requiring non-agenda comment at the end of the meeting. As there was no objection, the rule requiring non-agenda comment at the end of the meeting was suspended.

Justo De Jesus, of Chestnut Street, was not present.

Johanny Cepeda, of Walnut Street, was not present.

David Nazario, of North 3rd Street, read the article in the Reading Eagle about the Council session on March 19^h and he stated that a Charter complaint was filed against City Council by Aaron Thomas for holding illegal executive sessions. He stated that executive sessions have become the norm. He expressed the belief that the use of police force at the March 19th meeting was disrespectful and obstructive. He expressed the belief that Council has been improperly applying the Sunshine Act regulations and going into illegal executive sessions. He expressed the belief that the public should have the ability to observe Council's meetings on the water lease. He quoted statements made by the Council President on social media.

During his comments Mr. Nazario referred to comments made by City Council members during various executive sessions and he repeatedly used the names of several elected officials and Council President Acosta advised him of the regulation requiring citizens to address the body of Council as a whole and refrain from using the names of public officials. (*See Administrative Code § 5-209. Public participation D, E, F and G*)

Mr. Nazario continued by stating that Council should encourage public participation and input. He read from another Reading Eagle article regarding the privatization of water systems. He again made various accusations against Council members. He stated that if Council can mess with his life, he can mess with the lives of Council members.

Roger Stief, of Mt. Penn, deferred to Felix Freytiz.

Felix Freytiz, of Carroll Street, stated that he is the President of AFSCME and he stated that AFSCME could not accept the Commendation issued by Council this evening as Council members do not support AFSCME members. He noted the work AFSCME employees do to keep the City services running day and night.

Mary Jane Smith, of Perkiomen Avenue, stated that she sympathizes with Council as they deal with this difficult issue. She expressed the belief that Council should take time to consider the issue without being pressured into the decision making process. She stated that the administration's position is reflecting badly on them. She noted the extreme fluctuations in her water bill. She stated that she lives alone and sees fluctuations in her monthly billing running between \$30 to over \$100. She expressed the belief that RAWA requires improved monitoring. She noted that RAWA complaints are made by many people. She reminded Council that 4-6 months ago she spoke at a Council meeting and requested that RAWA provide a grace period or adjustment to the billing period that would allow people receiving SSI payments to avoid delinquencies. She stated that RAWA just acted on this request in April, which is ridiculous. She also noted that the high fees that are on the RAWA bills are also ridiculous.

Claudia Ortega, of Rose Street, expressed the belief that Reading citizens are already suffering enough hardships and she asked Council to deeply consider the water lease issue before making a decision.

Aaron Thomas, of South 13th Street, deferred to Vince Rosado.

Vince Rosado, of North 13th Street, he expressed the belief that the public and Council needs to be better educated on the water lease issue. He noted his confusion about the process being used to consider the water lease issue, as the Charter provides the mayor with broad executive authority. He read from Charter Sections 102 and 103 "*§ 102. Grant of power. The City shall have the power to exercise any power or to perform any function not denied by the Constitution of the United States, by the Constitution of Pennsylvania, by act of the General Assembly of Pennsylvania, or by this Charter. § 103. Exercise of powers. All powers of the City shall be exercised as provided by this Charter, or if the Charter makes no provision, as provided by ordinances or resolutions of the City Council.*" He also cited other sections of the Charter and Administrative Code and questioned why Council believes they have the ability to retain outside legal counsel. He questioned where the Charter or Administrative Code allows Council to retain outside counsel. He also questioned where it says Council can sabotage the administration by hiring outside legal counsel. He stated that Council needs to remember that they represent the public.

Mr. Rosado stated that RAWA is no friend of the City, although AFSCME employs working hard to provide the public with clean water; one hand doing a good thing and the other doing the bad. He questioned if Council wants the stick and he suggested that

Council members not interested in putting themselves behind this issue should leave. He continued that if Council members would not voluntarily leave, he would not run up there and make the Council members leave now but he may in the future.

Council President Acosta stated that the comments made by Mr. Rosado are disrespectful and impertinent and he asked Mr. Rosado to step away from the podium.

Councilor Waltman noted the need for citizens to speak to the body of Council with decorum and respect.

A brief recess was requested by Councilor Waltman to confer with the Council President at approximately 7:25. The meeting resumed at approximately 7:30 pm.

William Vitale, of Hill Road, stated that the issue with the water lease seems to be in the context of the takeover of the water system by a private firm. He stated that he prefers a publically run system. He stated that water is the oil of the 21st century. He stated that he has heard about Council's desire to obtain the best deal for the City. He expressed the belief that it is more important for the City to keep control and ownership of the system; however, he agreed with the need for an RFP process. He questioned the need to consider offers from private firms. He suggested that Council explain their desired goal. He expressed the belief that the process Council is following is useless and reckless as it is better to retain a lease with RAWA rather than consider private firms with deep pockets.

Stephanie Payton, of North 12th Street, was not present.

Justus James, of Plymouth Meeting, stated that he represents AFSCME and that Council needs to improve their communication. He stated that AFSCME refused to accept tonight's commendation because Council does not support the AFSCME employees. He stated that AFSCME employees were rated lower than financial issues by Council on a survey. He expressed the belief that Council has placed AFSCME employees in jeopardy.

Brenda Skimski, of Seibert's Court, stated that with a heavy heart she too refused to accept the commendation issued by Council tonight as the commendation is hollow in light of the current priority list prepared by Council where they ranked financial issues, including money, over the value of AFSCME employees. She noted the value of AFSCME employees as they keep the City running night and day.

Rick Kasprzewski, of South 15th Street, stated that RAWA is a touchy subject. He stated that the City started running its water system in the late 1800s. He urged Council to continue to maintain control over the water system. He expressed the belief that the broken communications between Council and the Administration needs to be rectified.

James Rodriquez, of Court Street, spoke in support of the Microloan program resolutions that were removed from the agenda. He stated that he is involved with small business development at Kutztown University and he noted the importance of these loan programs to support upstart businesses.

Carl Baskin, of Fairview Street, stated that he represents the Iron Workers 420 as Vice President and he distributed photographs of a crane used at the Doubletree Hotel site in the 700 block of Penn Street. He expressed his belief for the use of local unions, rather than unions outside of Berks County. He described the terrible accident that could have occurred with this crane at the hotel site and he noted his support for a project labor agreement.

APPROVAL OF THE AGENDA & MINUTES

Council President Acosta called Council's attention to the agenda for this meeting, including the legislation listed under the Consent Agenda heading and the minutes from the April 14th Regular Meeting of Council. He noted that the Administration is withdrawing the Ordinance for the County Radio System lease agreement.

Councilor Marmarou moved, seconded by Councilor Sterner, to approve the minutes from the April 14th Regular Meeting of Council and the agenda as amended, including the legislation listed under the Consent Agenda heading. The motion was approved unanimously.

Consent Agenda

A. Award of Contract – for the CCTV and Manhole Inspection Project to the four (4) qualified proposers: Mr. Rehab, RedZone Robotics, Savin Engineers and Video Pipe Services. (Purchasing)

B. Award of Contract – for the engineering for 6th and Canal Pump Station improvements to T & M Associates (Purchasing)

ADMINISTRATIVE REPORT

There was no administrative report at this meeting.

AUDITOR'S REPORT

City Auditor Cituk read the report distributed to Council at the meeting, in summary:

- 2014 Admissions Tax Collection
- 2014 Real Estate Transfer Tax

REPORT FROM DEPT. DIRECTORS, BOARDS, AUTHORITIES, & COMMISSIONS

None.

ORDINANCES FOR FINAL PASSAGE

Pending - Further Legal Review Required

Bill 37-2014 - dissolving the Reading Area Water Authority, approving the Certificate of Termination of the Authority, and authorizing all actions necessary to effectuate the same. **(Law/Council Staff)** *Introduced at the March 31 special meeting; tabled at the April 14 regular meeting*

Bill 41-2014 - creating the Reading Regional Water Authority (City Council)
Introduced at the April 14 regular meeting

Bill 26-2014 - approving a long-term lease of certain premises within City Hall to the County of Berks in support of regional emergency communications & operations **(Man Dir)**
Introduced at the March 24 regular meeting; tabled at the April 14 regular meeting - WITHDRAWN BY THE ADMINISTRATION

Bill 39-2014 - amending the City Code Chapter 308, Housing, of the Codified Ordinances to eliminate the tenant listing requirement and provide for injunctive relief **(Man Dir)**
Introduced at the April 14 regular meeting; Advertised April 22

Potential Override of Veto

Bill 38-2014 - amending the Administrative Code which authorizes all departments, offices, and agencies to undertake the RFP process **(Law/Council Staff) (Law/Council Staff)**
Introduced at the March 31 special meeting; Enacted April 14; Must be returned to the Council office by 4-24

Councilor Reed moved, seconded by Councilor Goodman-Hinnershitz, to override the mayor's veto of Bill No. 38-2014.

The mayor's veto of Bill No. 38-2014 was approved by the following vote:

Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Sterner, Waltman, Acosta, President - 7

Nays: None - 0

Bill 40-2014 - amending Chapter 212, Fee Schedule, Section 120 Parks and Recreation, of the City of Reading Code to add a rental fee for Keffer Park Field House (**Recreation Commission**) *Introduced at the April 14 regular meeting; Advertised April 22*

Councilor Goodman-Hinnershitz moved, seconded by Councilor Daubert, to adopt Bill No. 40-2014.

Councilor Goodman-Hinnershitz stated that this is a positive thing for the Rec Commission. She stated that the Rec Commission is making great strides with their programming. She noted the importance of increasing fees in a responsible manner to allow the Commission to become self sustaining.

Bill No. 40-2014 was enacted by the following vote:

Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Sterner, Waltman, Acosta, President - 7

Nays: None - 0

Bill 42-2014 - **authorizing a MOU between the City and the Reading Recreation Commission (Law)** *Introduced at the April 14 regular meeting*

Councilor Goodman-Hinnershitz moved, seconded by Councilor Daubert, to adopt Bill No. 42-2014.

Councilor Goodman-Hinnershitz stated this is also a positive step forward for the Commission and for the City, as this was a long standing issue.

Bill No. 42-2014 was enacted by the following vote:

Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Sterner, Waltman, Acosta, President - 7
Nays: None - 0

Bill 43-2014 – amending the Home Rule Per Capita Tax Ordinance penalty and interest sections and setting the due date as July 1st annually (Law)
Introduced at the April 14 regular meeting; Advertised April 22

Bill No. 43-2014 was enacted by the following vote:

Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Sterner, Waltman, Acosta, President - 7
Nays: None - 0

INTRODUCTION OF NEW ORDINANCES

The following ordinances were read into the record:

A. Ordinance – amending the Purchasing Policies in the Administrative Code (Adm Services & Council Staff) Reviewed by Finance Committee on April 21st

B. Ordinance - amending Chapter 212, Fee Schedule, Section 120 Parks and Recreation, of the City of Reading Code to add a rental fee for Egleman’s Park (Recreation Commission)

C. Ordinance – notifying the Reading Area Water Authority and other parties about the termination of the water lease (Council Staff)

RESOLUTIONS

A. Resolution 56-2014 – extending the term of Acting Fire Chief Gary Mogel for an additional 90 days (Man Dir)

Councilor Reed moved, seconded by Councilor Marmarou, to adopt Resolution 56-2014.

Ms. Snyder stated that the administration is actively searching for a new Fire Chief and she thanked Acting Chief Moyer for stepping in to assist in this interim period.

Resolution No. 56-2014 was adopted by the following vote:

Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Sterner, Waltman, Acosta, President - 7
Nays: None - 0

B. Resolution 57-2014 – extending the term of Acting Public Works Director Ralph Johnson for an additional 90 days **(Man Dir)**

Councilor Goodman-Hinnershitz moved, seconded by Councilor Daubert, to adopt Resolution 57-2014.

Ms. Snyder stated that the administration is actively searching for a new Public Works Director and she thanked Acting Public Works Director Ralph Johnson for stepping in to assist in this interim period.

Council President Acosta stated that Mr. Johnson has done a fantastic job with the Public Works Department.

Resolution No. 57-2014 was adopted by the following vote:

Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Sterner, Waltman, Acosta, President - 7
Nays: None - 0

C. Resolution 58-2014 – retaining Stevens & Lee as independent legal counsel to assist City Council with legal matters and litigation related to the dissolution of RAWA and the creation of a new water authority **(Council Staff)**

Councilor Reed moved, seconded by Councilor Goodman-Hinnershitz, to amend Resolution 58-2014 as follows:

“City Council finds and determines that there is a conflict with Mayor Spencer and the City Administration regarding matters with the termination of the water lease, the dissolution of the Reading Area Water Authority and the creation of a new water authority; therefore, City Council hereby determines to retain Stevens and Lee as independent legal counsel to represent and assist the City Council in connection with the legal processes to terminate the water lease, dissolve the Reading Area Water Authority, to create a new water authority, and to assist with

other legal matters pertaining to the issues with the water lease, including litigation, retroactive to Monday, April 21, 2014.

City Council also directs the Administration, including the Law Department, to process and pay the bills submitted by Steven's and Lee, as per the Law Department's guidelines for outside legal counsel, as they are submitted."

Councilor Daubert stated that he will not support the amended resolution as he does not believe the dissolution of RAWA is necessary as it will not put the City in a better place; therefore he does not believe in the need to retain legal counsel to assist with the dissolution.

Councilor Marmarou stated that he agrees with Councilor Daubert. He noted the need for all parties to work together.

Councilor Waltman began speaking but he was disrupted by loud comments from the audience. Council President Acosta called for order.

Councilor Waltman explained that Council is not considering the sale of the water system to any party. He stated that Council is waiting for the Mayor to agree to restart the process with Council. He noted the need to limit debt, retain employees, limit rate increases, etc. He noted the need for the City collectively to go through an open RFP process. He noted the importance of the system to all citizens.

Councilor Waltman offered to meet with residents who have questions. He asked interested residents to call the City Clerk's Office to schedule appointments.

Again citizens began shouting from the audience.

Councilor Waltman stated that Council has the right to retain outside legal counsel. He stated that the citizens come first. He noted that Council's requests for information were flatly rejected.

Again citizens began shouting from the audience. Council President again called for order. He noted that now is not the time for a discussion with the public.

Resolution No. 58-2014 was adopted, as amended by the following vote:

Yeas: Goodman-Hinnershitz, Reed, Sterner, Waltman, Acosta, President - 5
Nays: Daubert, Marmarou - 2

COUNCIL COMMENT

Councilor Goodman-Hinnershitz stated that she appreciates the democratic process that includes public input. She noted the need for Council to consider public input and the education they receive about issues. She noted concern with the current actions and operations of RAWA. She stated that the opportunity to resolve the conflict will occur at the requested May 6th meeting with the mayor, Council and RAWA. She expressed her belief in retaining the water asset as a public asset. She stated that Reading's fore-fathers saw to it that we have this asset and the asset needs to be protected now and in the future.

Councilor Reed noted the need for people to be reasonable as they address their beliefs on any issue. She urged people to speak with Council members in a reasonable manner and avoid using methods of intimidation.

Councilor Daubert commended those who provided public comment this evening. He noted the importance of citizen input. He noted the need to respect the process Council has decided to use.

Councilor Sterner also thanked those who provided public comment. However, he noted that there was no need for bad and out of control behavior. He stated that Council members respectfully listen to citizen input and those who attend the meeting need to provide that same respect to Council members. He stated that Council is simply trying to do the right thing.

Councilor Sterner expressed disbelief that people think that the dissolution of RAWA will eliminate AFSCME employees, as the AFSCME employees are the people who make the water system operational. He noted that various rumors and the misinformation being publicized. He noted that the indebtedness of RAWA is generally the responsibility of the City and its citizens. He also noted that the RAWA deal publicized would require a 25-33% rate increase.

Councilor Sterner also noted that the mayor has incorrectly stated that without the RAWA deal the City would be bankrupt and the AFSCME employees would be fired, etc. He noted the need to give people the correct information. He also questioned why the mayor pulled away from the process he created, when he and Council were so close to an

agreement on the water lease issue. He expressed the need to carefully weigh all offers just as a home owner would weigh various offers if they sold a piece of property or an item of value. He stated that Council must sort this out, just as a home owner would. He urged people not to believe the rumors that are spinning through the community.

Council President Acosta noted that a meeting with the mayor and his staff occurred on Friday, April 25th at 2 pm with people assisting City Council where the mayor and his staff promised Council a “public bashing” and they made various threats. However, that will not work or make Council change their position. He noted that Council distributed a response to the mayor’s erroneous talking points about things that will occur if the RAWA proposal is not accepted. These talking points were distributed to the City employees. He stated that Council has never discussed firing AFSCME employees; however, the Acting HR Director has told the FOP that Council’s unwillingness to accept the RAWA proposal creates the need to layoff police officers. He stated that this is entirely incorrect and he urged the administration to fire those who are spreading invalid rumors.

Council President Acosta stated that any proposal negotiated by Council will include the requirement to retain AFSCME employees, cap rates, etc.

Council President Acosta stated that people have also complained about the closed meetings Council has had to consider the water issue. However, he reminded everyone that the new process set up by the mayor only includes a maximum of three members of Council so they can hold their meetings privately. He reminded everyone that only meetings that include four (4) or more members of Council are considered open meetings. He suggested that people complaining to Council about the need to hold public deliberations should also take that complaint to the mayor.

Council President Acosta stated that to date the people in this room only listen to the stories that are coming from the mayor’s office. He noted the need to have discussions with Council about these stories so they can be properly educated. He stated that the mayor also says that we need to keep control of RAWA; however, we do not have control of RAWA now. He stated that the most recent RAWA bonds jeopardize the ownership of the system. He noted that after reading the indentures associated with the bonds RAWA has drawn, he learned that if RAWA fails to make its payments, the bank will take over the water system. He stated that we do not own this system, we “owe” the system.

Council President Acosta stated that the mayor has turned this issue into a political game and that the mayor has now made the residents a victim of this game.

Council President Acosta stated that a letter was sent to the mayor and RAWA Chair; however, no response has yet been received from the mayor. He explained the need to hire and retain Stevens and Lee to assist Council with this process, as the City Solicitor told Council that he is in the middle and cannot assist Council. As he cannot assist, there is a conflict and outside legal advice is needed. He urged those present to track where the stories are coming from and then confirm that Council has stated that AFSCME will lose their jobs unless the RAWA proposal is approved. He stated that he will resign if they can track the information back to him. He also asked that if they find that the information is coming from the administrative side, they ask for the proper parties to be fired.

Council President Acosta explained that he and his family have decided to rent the property where his family resides, rather than purchase it. He stated that this is a family decision that should not become a political football.

Councilor Waltman stated that there is more to this issue than what actually appears. He invited citizens to call the Council Office at 610 655 6204 to schedule meetings with him to discuss this issue. He stated that the public needs better information about this issue. He stated that the poor behavior at this meeting proved that the public is misinformed. He noted that the current water asset is at risk and that the information circulating is propaganda. He stated that Council is trying to protect this unprotected system.

Councilor Daubert moved, seconded by Councilor Reed, to adjourn the regular meeting of Council.

Respectfully submitted by Linda A. Kelleher CMC, City Clerk

RESOLUTION NO. _____ 2014

Whereas, by virtue of Resolution 134-2009, adopted December 14, 2009, the City of Reading declared its intent to follow the procedures for the disposition of records set forth in the Retention and Disposition Schedule for Records of Pennsylvania Municipalities issued in 2009; and

Whereas, in accordance with Act 428 of 1968 (as amended) each individual act of disposition shall be approved by resolution of the governing body of the municipality:

NOW THEREFORE, the Council of the City of Reading hereby resolves as follows:

In accordance with the above cited schedule, Council hereby authorizes the disposition of the following public records:

Finance/Administrative Services Department

Invoices: 2006

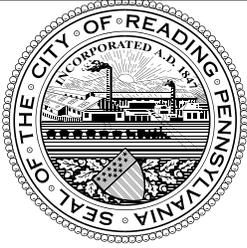
Invoices: 2007

Adopted by Council _____

President of Council

Attest:

City Clerk



**AGENDA MEMO
AGENDA MEMO
COMMUNITY DEVELOPMENT
COMMUNITY DEVELOPMENT**

TO: CITY COUNCIL
FROM: LENIN AGUDO, COMMUNITY DEVELOPMENT
DEPARTMENT DIRECTOR
MEETING DATE: April 28th, 2014
AGENDA MEMO DATE: March 20th, 2014
REQUESTED ACTION: TO APPROVE AN AMENDMENT TO THE PY2014
(40TH CD YEAR JANUARY 1, 2014 TO DECEMBER 31, 2014)
CDBG ACTION PLAN FOR THE MICROENTERPRISE LOAN
PROGRAM ACTIVITY

The Community Development Department is asking City Council to pass the resolution at the April 28th, 2014 City Council meeting.

BACKGROUND: It is anticipated that the activity will assist 10 businesses. The City may partner with a non-profit agency to administer the activity. Activities include (but are not limited to) loans to businesses for acquisition, construction, installation, or rehabilitation of commercial and industrial buildings, facilities, equipment, or working capital.

BUDGETARY IMPACT: None.

PREVIOUS ACTION: None.

SUBSEQUENT ACTION: None.

RECOMMENDED BY: Managing Director, and Mayor.

RECOMMENDED MOTION: To approve/deny a Council Resolution authorizing the Mayor to execute a PY2014 (40th CD year - January 1, 2014 to December 31, 2014) CDBG Action Plan Amendment to program \$250,000.00 in unprogrammed CDBG funds for the PY2014 CDBG Microenterprise Loan Program activity.

Attachment

Cc: Carole Snyder
David Kersley
Crystal Edwards
Neil Nemeth
Brenda Skimski

RESOLUTION NO. _____

**RESOLUTION OF THE COUNCIL OF THE CITY OF READING
AUTHORIZING THE MAYOR TO EXECUTE A PY2014 CDBG ACTION
PLAN AMENDMENT**

WHEREAS, under 24 CFR Part 91, the U.S. Department of Housing and Urban Development (HUD) outlines the consolidated submissions for community planning and development programs which will serve as: (1) a planning document for the City that builds on a participatory process at the grass roots level, (2) an application for federal funds under HUD's formula grant program, (3) a strategy to be followed in carrying out HUD programs, and (4) an Action Plan that provides a basis for assessing performance;

WHEREAS, the PY2014 (40th CD year - January 1, 2014 to December 31, 2014) CDBG Action Plan has been prepared meeting HUD's requirements and providing guidance for addressing the housing and community development needs of the City;

WHEREAS, the activity's eligibility / fundability categories are 24CFR570.201 (o) Microenterprise Assistance / 24CFR570.208 (a)(2) Low Mod Limited Clientele. It is anticipated that the activity will assist 10 businesses. The City may partner with a non-profit agency to administer the activity. Activities include (but are not limited to) loans to businesses for acquisition, construction, installation, or rehabilitation of commercial and industrial buildings, facilities, equipment, or working capital.

NOW, THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF READING THAT:

The Mayor is authorized to execute a PY2014 (40th CD year - January 1, 2014 to December 31, 2014) CDBG Action Plan Amendment. The

amendment will program \$250,000 in unprogrammed CDBG funds for the PY2014 CDBG Microenterprise Loan Program activity.

The Mayor, on behalf of the City of Reading, is authorized and directed to execute the amendment to the satisfaction of HUD.

ADOPTED BY COUNCIL _____,
2014

PRESIDENT OF COUNCIL

ATTEST:

CITY CLERK



AGENDA MEMO
COMMUNITY DEVELOPMENT

TO: CITY COUNCIL
FROM: LENIN AGUDO, COMMUNITY DEVELOPMENT
DEPARTMENT DIRECTOR
MEETING DATE: April 28th, 2014
AGENDA MEMO DATE: March 20th, 2014
REQUESTED ACTION: TO APPROVE AN AMENDMENT TO THE PY2014
(40TH CD YEAR JANUARY 1, 2014 TO DECEMBER 31, 2014)
CDBG ACTION PLAN FOR THE MICROENTERPRISE
GRANT PROGRAM ACTIVITY

The Community Development Department is asking City Council to pass the resolution at the April 28th, 2014 City Council meeting.

BACKGROUND: It is anticipated that the activity will assist 10 businesses. The City may partner with a non-profit agency to administer the activity. Activities include (but are not limited to) grants to businesses for purchase of machinery, equipment, and furniture, technology infrastructure and upgrades, inventory and supplies, marketing, payment of utilities, and assistance with licenses and insurance.

BUDGETARY IMPACT: None.

PREVIOUS ACTION: None.

SUBSEQUENT ACTION: None.

RECOMMENDED BY: Managing Director, and Mayor.

RECOMMENDED MOTION: To approve/deny a Council Resolution authorizing the Mayor to execute a PY2014

(40th CD year - January 1, 2014 to December 31, 2014) CDBG Action Plan Amendment to program \$100,000.00 in unprogrammed CDBG funds for the PY2014 CDBG Microenterprise Grant Program activity.

Attachment

Cc: Carole Snyder
David Kersley
Crystal Edwards
Neil Nemeth
Brenda Skimski

RESOLUTION NO. _____

**RESOLUTION OF THE COUNCIL OF THE CITY OF READING
AUTHORIZING THE MAYOR TO EXECUTE A
PY2014 CDBG ACTION PLAN AMENDMENT**

WHEREAS, under 24 CFR Part 91, the U.S. Department of Housing and Urban Development (HUD) outlines the consolidated submissions for community planning and development programs which will serve as: (1) a planning document for the City that builds on a participatory process at the grass roots level, (2) an application for federal funds under HUD's formula grant program, (3) a strategy to be followed in carrying out HUD programs, and (4) an Action Plan that provides a basis for assessing performance;

WHEREAS, the PY2014 (40th CD year - January 1, 2014 to December 31, 2014) CDBG Action Plan has been prepared meeting HUD's requirements and providing guidance for addressing the housing and community development needs of the City;

WHEREAS, the activity's eligibility / fundability categories are 24CFR570.201(o) Microenterprise Assistance / 24CFR570.208 (a)(2) Low Mod Limited Clientele Activity. It is anticipated that the activity will assist 10 businesses. The City may partner with a non-profit agency to administer the activity. Activities include (but are not limited to) grants to businesses for purchase of machinery, equipment, and furniture, technology infrastructure and upgrades, inventory and supplies, marketing, payment of utilities, and assistance with licenses and insurance.

NOW, THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF READING THAT:

The Mayor is authorized to execute a PY2014 (40th CD year - January 1, 2014 to December 31, 2014) CDBG Action Plan Amendment. The amendment will program \$100,000 in unprogrammed CDBG funds for the PY2014 CDBG Microenterprise Grant Program activity.

The Mayor, on behalf of the City of Reading, is authorized and directed to execute the amendment to the satisfaction of HUD.

ADOPTED BY COUNCIL _____,
2014

PRESIDENT OF COUNCIL

ATTEST:

CITY CLERK

BILL NO. _____-2014
AN ORDINANCE

AN ORDINANCE OF THE CITY OF READING, BERKS COUNTY, DISSOLVING THE READING AREA WATER AUTHORITY, APPROVING THE CERTIFICATE OF TERMINATION OF THE AUTHORITY, AND AUTHORIZING ALL ACTIONS NECESSARY TO EFFECTUATE THE SAME.

Pursuant to the Authority contained in the Pennsylvania Municipalities Authorities Act, 53 Pa.C.S. §5622, the Council of the City of Reading, Berks County, Pennsylvania, does hereby enact and ordain as follows:

Section 1. The City Council of the City of Reading hereby directs and orders that the Reading Area Water Authority (RAWA) be dissolved.

Section 2. RAWA is directed to take all necessary actions necessary to effectuate its dissolution, including, but not limited to the following:

- A. RAWA is directed to dissolve and cease any further activity other than set forth herein and as required to effectuate the instant dissolution;
- B. RAWA is directed to transfer all of its assets and regulatory permits to the City;
- C. RAWA is directed to satisfy any and all outstanding debts and obligations of the Authority, doing so subject to the approval of City Council; and
- D. RAWA is directed to approve and execute a Certificate of Termination as set forth in form and substance appended hereto as Exhibit "A" in accordance with the Municipalities Authorities Act, 53 Pa. C.S §5619.

Section 3. City Council hereby approves the Certificate of Termination of the Authority in the form appended hereto as Exhibit "A."

Section 4. Upon the enactment of this ordinance and compliance with all executory provisions herein, City Council is hereby authorized to file said Certificate in the Office of the Secretary of the Commonwealth of Pennsylvania.

Section 5. Upon receipt of said Certificate, the Secretary of the Commonwealth shall note the termination of the existence of RAWA on the Authority's record of incorporation and return the Certificate with approval to City Council. Upon receipt thereof, City Council is

hereby authorized to record the Certificate in the Office of the Recorder of Deeds of Berks County.

Section 6. Upon recordation of the Certificate with the Berks County Recorder of Deeds, all property of RAWA shall pass to the City and RAWA will be effectively terminated.

Section 7. The City of Reading City Solicitor, Managing Director, City Auditor, Administrative Services Director and City Clerk are all, individually and collectively, authorized to take any further action necessary to effectuate the dissolution of RAWA and the transfer of RAWA's assets to the City.

Section 8. All ordinances or parts of ordinances inconsistent with this Ordinance are hereby repealed.

Section 9. If an sentence, clause, section or part of this Ordinance is found to be unconstitutional, illegal, or invalid, for any reason, such unconstitutionality, illegality or invalidity shall not affect or impair any of the remaining provisions, sentences, clauses, sections or parts of this Ordinance. It is hereby declared to be the legislative intent of City Council that this Ordinance would have been enacted had such provisions not been included.

Section 10. This Ordinance shall become effective ten (10) days after adoption pursuant to City of Reading Home Rule Charter Article II Section 219.

ENACTED and **ORDAINED** by the City of Reading City Council, Berks County, this _____ of April, 2014.

President of Council

Attest:

City Clerk
(Council Staff)

Submitted to Mayor: _____

Date: _____
Received by the Mayor's Office: _____
Date: _____
Approved by Mayor: _____
Date: _____
Vetoed by Mayor: _____
Date: _____

EXHIBIT "A"

CERTIFICATE OF TERMINATION OF THE READING AREA WATER AUTHORITY, BERKS COUNTY, PENNSYLVANIA

THIS CERTIFICATE ("Certificate") is made this ____ day of _____, 2014 by the Reading Area Water Authority, Berks County Pennsylvania (RAWA)

WHEREAS, pursuant to Bill No. ____2014, RAWA was directed to take all actions necessary to effectuate its dissolution;

WHEREAS, pursuant to Municipalities Authorities Act, 53 Pa C.S. §5619, RAWA hereby submits this Certificate, requesting and advising that the City of Reading City Council terminates its existence; and

WHEREAS, pursuant to the Municipalities Authorities Act, 53Pa C.S. §5619, the City of Reading City Council is authorized to approve this Certificate by Ordinance.

NOW THEREFORE, RAWA, intending to be legally bound hereby certifies as follows:

1. RAWA hereby submits this Certificate requesting its termination pursuant to City of Reading Bill No. ____2014 and the Municipalities Authorities Act 53 Pa C.S. §5619.
2. The City of Reading City Council is authorized to terminate the existence of RAWA based on its prior action to create RAWA in 1994, as per Bill No. 46-1994.

3. The Chairman and Secretary of RAWA are hereby authorized to take all actions necessary to carry out the purpose of this Certificate and to effectuate the dissolution of RAWA.

IN WITNESS WHEREOF, the undersigned officers of RAWA, having been authorized by the City of Reading City Council, have hereunto set their hands and seals the day and year first written above.

READING AREA WATER AUTHORITY

Chairman

ATTEST:

Secretary

**CITY OF READING
BERKS COUNTY, PENNSYLVANIA**

**ORDINANCE NO. _____ 2014
(Duly Enacted _____ 2014)**

AN ORDINANCE OF THE CITY OF READING, BERKS COUNTY, PENNSYLVANIA, SIGNIFYING THE INTENTION OF CITY COUNCIL TO ORGANIZE A MUNICIPAL AUTHORITY UNDER THE PROVISIONS OF THE PENNSYLVANIA MUNICIPALITY AUTHORITIES ACT, AS AMENDED AND SUPPLEMENTED, TO BE KNOWN AS THE “READING REGIONAL WATER AUTHORITY”; SETTING FORTH THE FORM OF THE ARTICLES OF INCORPORATION; APPOINTING THE FIRST MEMBERS OF THE BOARD OF THE AUTHORITY AND FIXING THEIR TERM OF OFFICE; DESIGNATING THE PURPOSES FOR SAID AUTHORITY; AUTHORIZING THE EXECUTION AND FILING OF THE ARTICLES OF INCORPORATION; AUTHORIZING THE TAKING OF ALL SUCH ACTION AS MAY BE NECESSARY OR APPROPRIATE TO ORGANIZE SAID AUTHORITY, INCLUDING THE PUBLICATION OF REQUIRED PUBLIC NOTICE; AND CONTAINING CLAUSES FOR SEVERABILITY, REPEAL, AND EFFECTIVE DATE.

WHEREAS, the City of Reading, Berks County, Pennsylvania (the “City”), is empowered to establish, organize, and incorporate an authority pursuant to §5603 of the Pennsylvania Municipality Authorities Act, 53 Pa. C.S.A. § 5601 et seq., Act 22 of 2001, effective June 19, 2001, which codifies and amends the Municipality Authorities Act of 1945, as amended and supplemented (the “Municipality Authorities Act”); and

WHEREAS, in preparation for the passage of this Ordinance, a public hearing was held by the City Council of the City pursuant to notice duly advertised as required by the Municipality Authorities Act.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED, by the City Council of the City and **IT IS HEREBY ORDAINED AND ENACTED** by the authority of the same, as follows:

INTENT. It is the intent of the City Council of the City to organize an authority under provisions of the Municipality Authorities Act.

NAME OF AUTHORITY. The name of the authority shall be the “Reading Regional Water Authority”.

ARTICLES OF INCORPORATION. The proposed Articles of Incorporation of said Reading Regional Water Authority are as follows:

READING REGIONAL WATER AUTHORITY

ARTICLES OF INCORPORATION

To: The Secretary of the Commonwealth of Pennsylvania.

In compliance with requirements of the Pennsylvania Municipality Authorities Act, 53 Pa. C.S.A. § 5601 et seq., Act 22 of 2001, effective June 19, 2001, which codifies and amends the Municipality Authorities Act of 1945, as amended and supplemented (the “Municipality Authorities Act”), and pursuant to the ordinance enacted by the City Council of the City of Reading, Berks County, Pennsylvania, expressing the intention and desire of the City Council of said municipality to organize a municipality authority under said Municipality Authorities Act, the incorporating municipality does hereby certify:

The name of the Authority is “Reading Regional Water Authority”.

The Authority is formed under provisions of the Pennsylvania Municipality Authorities Act, 53 Pa. C.S.A. § 5601 et seq., Act 22 of 2001, effective June 19, 2001, which codifies and amends the Municipality Authorities Act of 1945, as amended and supplemented, with all powers authorized by said Municipality Authorities Act.

No other authorities have been organized under said Municipality Authorities Act, under the former Act of June 28, 1935 (P.L. 463, No. 191), or under the Act of May 2, 1945 (P.L. 382, No. 164), known as the “Municipality Authorities Act of 1945”, and is in existence in or for the incorporating municipality, except that the incorporating municipality has heretofore organized (i) the Reading Water Authority and (ii) the Reading Regional Airport Authority, (iii) City of Reading Revitalization and Improvement Zone Authority and (iv) the Downtown Improvement District Authority, as the sole incorporating municipality, and (v) the Berks Area Reading Transportation Authority, as a joint incorporating municipality, each under the provisions of the Act of May 2, 1945 (P.L. 382, No. 164), known as the “Municipality Authorities Act of 1945”, which authorities are in existence in or for said incorporating municipality.

The name of the incorporating municipality is the City of Reading, Berks County, Pennsylvania.

The names and addresses of the members of the City Council of the City of Reading, the incorporating municipality, are as follows:

OFFICE	NAME	ADDRESS
President	Francis Acosta	326 St. Nicholas Street Reading, PA 19607
Vice President	Marcia Goodman- Hinnershitz	564 South 15 th Street Reading, PA 19601
Council Member	Chris Daubert	1135 Gregg Avenue Reading, PA 19607
Council Member	Stratton P. Marmarou	1515 Linden Street Reading, PA 19604

Council Member	Donna Reed	1525 Argonne Road Reading, PA 19601
Council Member	Dennis M. Sterner	524 North 14 th Street Reading, PA 19604
Council Member	Jeffrey S. Waltman	723 North 4 th Street Reading, PA 19601

The names, addresses and terms of office of the first members of the Board of the Reading Regional Water Authority, are as follows:

NAME	ADDRESS	TERM OF OFFICE
Jeffrey S. Waltman	723 North 4 th Street Reading, PA 19601	One Year
Marcia Goodman-Hinnershitz	564 South 15 th Street Reading, PA 19601	Two Years
Dennis M. Sterner	524 North 14 th Street Reading, PA 19604	Three Years
Donna Reed	1525 Argonne Road Reading, PA 19601	Four Years
Francis Acosta	326 St. Nicholas Street Reading, PA 19607	Five Years

The terms of office of the first members of the Board of said Reading Regional Water Authority shall commence on the date of appointment and shall be computed from the first Monday in January of 2014.

The term of existence of the Reading Regional Water Authority shall be for a period of fifty (50) years.

Advertisement of notice of filing these Articles of Incorporation is submitted herewith.

IN WITNESS WHEREOF, the undersigned has executed these Articles on behalf of the City of Reading, Berks County, Pennsylvania, and has caused to be affixed the seal and attested this _____ day of _____ 2014.

CITY OF READING
BERKS COUNTY, PENNSYLVANIA

By:
Vaughn Spencer, Mayor

Attest: _____
Linda A. Kelleher CMC, City Clerk

COMMONWEALTH OF PENNSYLVANIA :
 : SS.
COUNTY OF BERKS :

On this ____ day of _____, 2014, before me a Notary Public in and for said Commonwealth, personally appeared the above named Vaughn Spencer and Linda A. Kelleher, who stated that their official positions in the City of Reading are, respectively, the Mayor and City Clerk of the City of Reading, and who, in due form of law, acknowledged the foregoing Articles of Incorporation to be the act and deed of said City of Reading for the purposes therein specified.

Notary Public

NOTARIAL SEAL

My Commission Expires:

MEMBERS. The first members of the Board of said Reading Regional Water Authority, named in the aforesaid Articles of Incorporation, are hereby specifically appointed members of said Board for the terms set after their respective names, commencing on the date of appointment and computed from the first Monday in January, 2015.

AUTHORITY TO EFFECT THE INCORPORATION OF THE AUTHORITY. The Mayor of the City is hereby authorized and directed to execute the Articles of Incorporation of the proposed Reading Regional Water Authority in substantially the form set forth in this Ordinance, and the City Clerk of the City is hereby authorized and directed to attest the same and to affix thereto the seal of the City. Such officers are authorized and directed to execute and deliver such other documents, agreements, certificates and instruments, and to do all acts necessary or appropriate to effect the incorporation of the proposed Reading Regional Water Authority, including, but not limited to, to cause notice of the substance of this Ordinance, including the substance of the foregoing Articles of Incorporation, and the proposed filing of such Articles of Incorporation, to be published as required by the Municipality Authorities Act.

The Mayor of the City and the City Clerk of the City are authorized and directed to file such Articles of Incorporation and the necessary proofs of publication with the Secretary of the Commonwealth of Pennsylvania and to do all other things necessary to effect the incorporation of the Reading Regional Water Authority, including payment of the required filing fees.

PURPOSES AND PROJECTS AUTHORIZED. Reading Regional Water Authority shall have all the purposes, powers, and rights, as provided by §5603 of the Pennsylvania Municipality Authorities Act, 53 Pa. C.S.A. § 5601 et seq., Act 22 of 2001, effective June 19, 2001, which codifies and amends the Municipality Authorities Act of 1945, as amended and supplemented (the "Municipality Authorities Act"); The Authority shall have all powers provided for under such Act; provided, however, that the Authority shall be prohibited, without prior approval of City Council, from (a) undertaking any project which is not related to waterworks, water supply works or water distribution systems and (b) undertaking any project, whether or not related the waterworks, water supply works or water distribution systems, which involves the incurrance of any long term debt.

SEVERABILITY. In the event any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect or impair any remaining provision, section, sentence, clause or part of this Ordinance, it being the intent of this City that such remainder shall be and shall remain in full force and effect.

REPEALER. All ordinances or parts of ordinances inconsistent with this Ordinance shall be and the same expressly are repealed.

EFFECTIVE DATE. This Ordinance shall take effect upon its advertisement and enactment as required by law.

DULY ENACTED, THIS _____ DAY OF _____, 2014, BY THE COUNCIL OF CITY OF READING, BERKS COUNTY, PENNSYLVANIA, IN LAWFUL SESSION DULY ASSEMBLED.

Attest:

CITY OF READING
Berks County, Pennsylvania

Linda A. Kelleher CMC, City Clerk

By: _____
Francis Acosta, President of Council

(SEAL)

Submitted to Mayor: _____

Date: _____

Received by the Mayor's Office: _____

Date: _____

Approved by Mayor: _____

Date: _____

Vetoed by Mayor: _____

Date: _____

BILL NO. _____ - 2014

AN ORDINANCE

AMENDING CHAPTER 308 HOUSING OF THE CODIFIED ORDINANCES OF THE CITY OF READING TO ELIMINATE THE TENANT LISTING REQUIREMENT AND PROVIDE FOR INJUNCTIVE RELIEF.

THE COUNCIL OF THE CITY OF READING HEREBY ORDAINS AS FOLLOWS:

SECTION 1: Chapter 308, Housing, of the Codified Ordinances is hereby amended to eliminate the tenant listing requirement and provide for injunctive relief.

SECTION 2: All relevant ordinances, regulations and policies of the City of Reading, Pennsylvania not amended per the attached shall remain in full force and effect.

SECTION 3: If any section, subsection, sentence or clause of this ordinance is held for any reason to be invalid such decision shall not affect the validity of the remaining portions of the Ordinance.

SECTION 4: This Ordinance shall become effective in ten (10) days after passage.

Enacted _____, 2014

Council President

Attest:

City Clerk

Submitted to Mayor: _____

Date: _____

Received by the Mayor's Office: _____

Date: _____

Approved by Mayor: _____

Date: _____

Vetoed by Mayor: _____

Date: _____

EXHIBIT A

CHAPTER 308

HOUSING

PART 1

RENTAL AND VACANT PROPERTY

§308-102. Definitions.

ACTIVELY MARKETED FOR SALE – occurs only when a “for sale” sign has been placed on the property with accurate contact information and the owner has done at least one of the following:

- 1) engaged the services of a licensee under the act of February 19, 1980 (P.L. 15, No 9), known as the Real Estate Licensing and Registration Act, to place the property in a Multiple Listing Service or otherwise market the property;
- 2) placed weekly or more frequent advertisements in print or electronic media; or
- 3) distributed printed advertisements.

BOARDING HOUSE – a building or structure used to shelter persons who are not “relatives” of the operator, and who live in the building by pre-arrangement and for definite periods of time and compensation, and which may or may not provide meals for residents, and which does not involve individual dwelling units that are each occupied by a “family.” This term shall not include a commercial hotel/motel that serves transient visitors to the area, a personal care home, a nursing home, a dormitory or residence hall owned or operated by a college or university, or a Group Institution.

BUSINESS PRIVILEGE LICENSE - a license issued by the City of Reading Tax Division per City of Reading Codified Ordinance Chapter 24, Taxation, Special, Part 5, Business Privilege Tax, authorizing one to perform business including, for purposes of this Part, renting.

BUSINESS PRIVILEGE TAX - the tax payable to the City of Reading, Division of Tax, per City of Reading Codified Ordinance Chapter 24, Taxation, Special, Part 5, Business Privilege Tax, on, for purposes of this Part, the annual gross receipts derived from rental of a property or unit.

CAPACITY TO RENT - any dwelling unit that is fit for habitation by humans as determinable by applicable Building and Property Maintenance Codes [Chapter 5, Part 6], and is not the owner's primary residence and as is permitted by the City of Reading Zoning Ordinance [Chapter 27].

CODES - any State or local code or ordinance adopted, enacted or in effect in and for the City of Reading including, but not limited to, the International/City of Reading Building Code [Chapter 5, Part 1B], Existing Building Code [Chapter 5, Part 1C], Plumbing Code [Chapter 5, Part 2], Mechanical Code [Chapter 5, Part 5], Electrical Code [Chapter 5, Part 4], Fire Code [Chapter 5, Part 3], and Residential Code [Chapter 5, Part 8], and City of Reading Property Maintenance Code [Chapter 5, Part 6], Zoning Ordinance [Chapter 27], Recycling and Solid Waste Ordinance [Chapter 20, Part 1], and general nuisance ordinances.

CODES OFFICIAL - a City of Reading employee or authorized agent sworn to enforce the City of Reading Codes and Codified Ordinances.

DWELLING UNIT - a single unit providing complete, independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking and sanitation.

HABITABILITY - any rental unit, building or dwelling that is suitable for human habitation and that is sanitary and free of vermin infestation and is in compliance with all City of Reading health and code regulations and Codified Ordinances.

HOTEL UNIT - any room or group of rooms located within a hotel or motel forming a single habitable unit used or intended to be used for living and sleeping only on a transient basis for a period of less than 30 days.

HOUSING PERMIT - A permit issued by the City of Reading Property Maintenance Division per the procedure established by this Chapter and the policies created in accordance therewith. This permit includes both rental and vacant properties.

LEASE - see "Rent."

LET - see "Rent."

LOCAL RESPONSIBLE AGENT - a person or agency retained or hired by a property owner to operate premises including, but not limited to, compliance with City of Reading Codified Ordinances and as a local contact.

MULTIPLE DWELLING UNIT - any dwelling containing two or more dwelling units.

OCCUPANT/TENANT - a person renting or letting a rental unit from the owner thereof.

OWNER - any person, agent, operator, firm or corporation having a legal or equitable interest in the property; or recorded in the official records of the State, County or Municipality as holding title to the property; or otherwise having control of the property, including the guardian of the estate of any such person, and the executor or administrator of the estate of such person if ordered to take possession of real property by a court.

PERSON - any individual, firm, corporation, association, partnership or entity.

PROPERTY MAINTENANCE DIVISION - a division of the City of Reading administration under the Managing Director charged with enforcing the City of Reading Codified Ordinances governing issues including, but not limited to, housing, property maintenance and trades.

PUBLIC OFFICER - anyone authorized to enforce the City of Reading Codified Ordinances.

QUALITY OF LIFE - issues affecting the manner in which one lives or resides and habitability of a premise as governed by the City of Reading Codified Ordinances.

REGISTRATION - filing of an appropriate application to register a property as a rental unit- or vacant property.

RENT - compensation for providing a shelter or lodging for occupation or habitation by humans to reside, monetary or non-monetary.

RENTING - the act of permitting a unit to be used to provide a living arrangement for one or more persons not the owner thereof whether or not for compensation.

RENTAL UNIT - a rooming unit or dwelling unit let for rent, a non-owner occupied rooming or dwelling unit, or a dwelling unit occupied by an owner and additional unrelated individuals. A rental unit shall not include a hotel unit. A rental unit includes dwelling units under lease-purchase agreements or long-term (greater than 6 months) agreements of sale.

ROOMING UNIT - an individual room within a "Boarding House" as said term is defined herein that is suitable for human lodging or occupancy.

SALES AGREEMENT - a contract for the sale of real estate, including a contract for a deed.

STUDENT - an individual who is enrolled or has made application and been accepted at a university, college or trade school and whose primary occupation is as a student or who is on a semester or summer break from studies at a college, university or trade school or any combination of such persons. The term "student" shall apply to both undergraduate and graduate students alike. The residents of a student home share living expenses and may live and cook as a single housekeeping unit but may also only share access to cooking facilities and not live and cook as a single housekeeping unit.

STUDENT HOME - a living arrangement for at least two students to a maximum of three students (as defined in this Part) unrelated by blood, marriage or legal adoption. The term student home shall not include dormitories, fraternity house or sorority house. The term student home shall be used interchangeable with the term student housing.

STUDENT HOUSING - see “student home.”

VACANT PROPERTY - A residential, commercial or mixed use (residential and other permitted use) property shall be deemed to be a "vacant property" if it is a vacant property that is actively marketed for sale, a vacant property for rehabilitation, a vacant property that is a vacation/second residence and a vacant property that is code compliant.

ZONING - City of Reading Zoning Ordinance [Chapter 27].

ZONING PERMIT - A permit issued by the City of Reading Zoning Division per the City of Reading Zoning Ordinance [Chapter 27] authorizing and/or registering a unit as a rental.

§308-103. Housing Permit Required.

No person or entity shall let, rent or cause to be vacant or occupied any non-owner occupied properties unless that person first applies for, renews and obtains a non-transferable Housing Permit issued by the City of Reading Property Maintenance Division per the procedure established by this code and policies created thereunder.

§308-104. Application for a Housing Permit.

1. Applications for a Housing Permit shall be made in writing or by electronic application on forms prepared and provided by the City of Reading Property Maintenance Division and shall be accompanied by payment of the applicable fee. Such forms shall require, but shall not be limited to, the following information and shall be accepted and sworn to by the owner:

- A. The name, business address, date of birth, ~~and~~ telephone numbers, (business and mobile), and Driver’s License or State Issued Identification numbers of all of the owner(s) of any dwelling unit. A Federal EIN (employee identification number) must be provided if the owner is a corporation, limited liability company, or partnership.
- B. The address of the premises at which the dwelling unit or rooming unit is located.
- C. A valid zoning permit number as directed by the City of Reading Zoning Office.
- D. Verification of trash and recycling participation with approved program.
- E. The Business Privilege License Number as provided by the City of Reading Citizens Services Center
- ~~F. A completed tenant listing, if applicable, on a form prepared and provided by the Property Maintenance Division providing the following information of all persons occupying the building for which the permit is sought, including children under 18 years of age, full name, unit, apartment or floor number/designation (where applicable), and term of lease including date of entry and departure. If the owner has reason to believe that such disclosure may jeopardize the personal safety and well being of a tenant or occupant and provides the Property Maintenance~~

~~Division with such information and documentation to support such belief as may be reasonably required by the Property Maintenance Division, such disclosure shall not be required. If the unit is not rented at the time of application, the owner shall submit the tenant listing as prescribed above within 30 days of occupancy of the unit and in no event later than the next bi-annual date for such submission as required by this Part.~~

2. The registration of a rental or vacant property with the Property Maintenance Division shall be required within 15 days of the subject property becoming a "vacant property" or being marketed or used as a rental property as provided herein and shall be accompanied by the payment of the applicable registration fee.

3. Special provisions for properties with a valid "Housing Permit" issued prior to December 31, 2007 but lacking valid zoning permits for Multiple Dwelling or Rooming House use.

A. Any property previously registered with the City of Reading Property Maintenance Division and holding a valid "Housing Permit" issued by the Reading Property Maintenance Division prior to December 31, 2007 and has remained current shall be required to apply to the Zoning Administrator for a zoning permit prior to submitting an Application for a Housing Permit. The Zoning Administrator shall make an initial determination as to whether the subject property is located within a zoning district where multi-family rental use is legally permitted as an allowed use or a use previously approved as a Conditional Use pursuant to subsection D of §27-1203 of the Zoning Ordinance, as amended.

(i) If the Zoning Administrator determines that the subject property is located within a zoning district where multi-family rental use is legally permitted in accordance with the foregoing provisions in Subsection A, it will be granted a zoning permit as a legally permitted use under the applicable zoning, subject to subsection B hereunder, and it will be required to comply with all of the provisions of this Chapter and any other applicable chapters as verified upon inspection by the Property Maintenance Division.

(ii) If the subject property had a valid "Housing Permit" as of December 31, 2007 but is determined to be located within a zoning district where multi-family rental use is not legally permitted in accordance with the foregoing provisions in Subsection A, it will be granted a zoning permit as a prior "non-conforming use" by the Zoning Administrator within the meaning of subsection B of §27-607 of the Zoning Ordinance and remain eligible for a Housing Permit provided it conforms to the remaining requirements of the City of Reading Codes and Codified Ordinances.

B. The Zoning Administrator shall make a secondary determination as to whether the number of dwelling units present exceeds the number of units previously recorded for the premises in City records. A Housing Permit will be denied until the property is modified to comply with the number of units previously recorded.

C. A zoning permit issued by the Zoning Administrator in accordance with Sections A and B hereinabove shall satisfy the requirements of §11-104. 1. G. and the issuance of a Housing Permit shall be subject to compliance with the remaining provisions of §11-104. 1.

§11-105. Annual Renewal of Housing Permit.

1. Effective January 2, 2012, each Housing Permit shall be renewed by the registrant on or before the 1st of April in each and every calendar year regardless of when the original permit was issued in the previous year. If the 1st of April falls upon a Saturday, Sunday or holiday the deadline shall be the close of business on the next business day. Renewal of a Housing Permit shall be made in writing or by electronic application upon forms prescribed by the Property Maintenance Division. Submission of annual renewal forms shall be accompanied by payment of the specified renewal fee.
2. Annual Housing Permit Renewal forms shall require the owner, in addition to the information specifically required in other provisions of this Chapter, to provide the following: (a) disclose and/or confirm the number, name and age of residents of dwelling unit in each building and the number of tenants residing in each dwelling unit, (b) the operational status of fire and smoke alarms, the operational status of fire escapes and emergency exits, if applicable, and (c) any changes or alterations to the interior or exterior structural and/or mechanical components or systems of the building or any individual dwelling unit therein including repairs due to casualty loss, since the date of the issue of the Housing Permit or the last renewal thereof, whichever is later. The Annual Permit Renewal forms shall further require the owner to verify that false statements therein made are subject to the penalties of 18 Pa. C.S. Section 4904 relating to unsworn falsification to authorities.
3. Submission of Annual Renewal Forms after the April 1st deadline shall be subject to a surcharge of Three Hundred Dollars (\$300) per parcel for each month or fraction thereof following the said deadline. The City of Reading may pursue an in personam action (legal proceeding against the person) for the collection of any outstanding surcharges owed.
4. Failure to submit an Annual Renewal Form as required herein before July 1st in each and every year may result in the immediate revocation of the Housing Permit.
5. In the event of revocation of the Housing Permit, the property owner must file an Application for Reinstatement upon a form prescribed by the Property Maintenance Division and the filing of said application shall be accompanied by payment of all outstanding fees and surcharges.
6. Notwithstanding the filing of an Application for Reinstatement nothing herein shall prevent the City of Reading from undertaking legal action to enforce any other provision of the City of Reading Codified Ordinances, including action to enjoin any continued occupancy of the property by tenants residing therein and/or action to abate any nuisance, dangerous condition or other threat to the health and safety of the tenants residing therein or the general public.
7. In the event the Housing Permit is revoked for a property that was previously approved for multi-family rental housing but designated a non-conforming use by the Zoning Administrator, failure of the owner to file an Application for Reinstatement of a Housing Permit within six months of the date of revocation of the Housing Permit as provided herein shall, in the absence of any showing of reasonable excuse or good cause, be considered an “abandonment” of such use in accordance with the provisions of §27-607 F and G of the Zoning Ordinance. The burden of proving reasonable excuse or good cause for a failure to file an Application for Reinstatement shall rest solely upon the property owner and the determination of the same can only be made upon a majority vote of City Council.

§11-106. Denial of Application for a Housing Permit.

1. A Housing Permit shall not be issued or renewed to any applicant if said rental unit, building or dwelling is not in compliance with the City of Reading Codified Ordinances including, but not limited to, City of Reading Building Code [Chapter 5, Part 1B], Existing Building Code [Chapter 5, Part 1C], Plumbing Code [Chapter 5, Part 2], Mechanical Code [Chapter 5, Part 5], Electrical Code [Chapter 5, Part 4], Fire Code [Chapter 5, Part 3], and Residential Code [Chapter 5, Part 8], Property Maintenance Code [Chapter 5, Part 6], Solid Waste and Recycling Ordinance [Chapter 20, Part 1], Health Code [Chapter 10, Part 1] and Zoning Ordinance [Chapter 27], or has failed an inspection, is in pending litigation for violations of the aforesaid Codified Ordinances or has been declared uninhabitable and/or condemned by the appropriate authority with jurisdiction.

2. The City may deny an application for a Housing Permit if the applicant (or in the case of a corporate or similar entity, its owners or affiliates) has a demonstrable history on three or more occasions of failing to address cited code violations, including lack of utilities, that present immediate threats to human health and safety within the compliance period specified by the Property Maintenance Division, currently has unresolved codes violations, or has any tax delinquencies.

3. The City of Reading Property Maintenance Division is hereby authorized to placard and condemn a property for which a Housing Permit has not been obtained from the Property Maintenance Division as required by this Part. Such action shall require the immediate vacation of the property or vacation within a specific and reasonable period of time as determined by the Property Maintenance Division in the exercise of its discretion

§11-107. Revocation of a Housing Permit.

1. The City of Reading Property Maintenance Division shall, have the authority to revoke or suspend the Housing Permit of any rental unit, building, rooming house, or dwelling that it determines within the reasonable exercise of its discretion to be uninhabitable by humans, and in noncompliance with the City of Reading Codified Ordinances including, but not limited to, City of Reading Building Code [Chapter 5, Part 1B], Existing Building Code [Chapter 5, Part 1C], Plumbing Code [Chapter 5, Part 2], Mechanical Code [Chapter 5, Part 5], Electrical Code [Chapter 5, Part 4], Fire Code [Chapter 5, Part 3], and Residential Code [Chapter 5, Part 8], Property Maintenance Code [Chapter 5, Part 6], Solid Waste and Recycling Ordinance [Chapter 20, Part 1], Health Code [Chapter 10, Part 1] and Zoning Ordinance [Chapter 27], or has failed an inspection. A Housing Permit may also be revoked if it is determined that the permit was issued upon material misrepresentations, errors or omissions set forth in the application for original issue renewal as applicable.

2. The City may revoke a Housing Permit if the applicant (or in the case of a corporate or similar entity, its owners or affiliates) has a record of chronic codes violations, currently has unresolved codes violations, or has any tax delinquency.

3. A notice of a revocation of a Housing Permit shall set forth the reason for the revocation and shall be provided in writing to the last known owner of record.

§11-108. Transfer of Ownership and Change of Address.

1. It shall be the duty of each owner of a dwelling unit or rooming unit to notify the Property Maintenance Division of any change in ownership of the in compliance with the requirements of § 4-303 of Chapter 4 of the City of Reading Codified Ordinances, as amended.
2. A Housing Permit issued hereunder does not attach to the real estate title and does not pass or transfer to any person or entity who acquires ownership of the property upon which the dwelling unit or rooming unit is situated. The prospective new owner of a property upon which housing is permitted shall submit a completed application for a new Housing Permit to the Property Maintenance Division no later than 15 days after transfer of title. Said application for a new Housing Permit shall be compliant with the applicable rules set forth in this Chapter and issuance of a new Housing Permit shall be further conditioned upon inspection of the premises by the Property Maintenance Division and a determination of compliance of the premises with the applicable requirements of the City of Reading Codified Ordinances.
3. Any owner of a housing unit governed by this Part who relocates or changes mailing address shall file written notice of the same with the Berks County Assessment Office and the City of Reading Property Maintenance Division within ten (10) days of such relocation or change in mailing address. Failure to provide such notice shall result in the imposition of a \$150 penalty, which shall be payable within 15 days from the date of imposition.
4. The failure of a new owner to make timely application for a new Housing Permit as provided hereinabove shall render the property an illegal unit subject to the processes and penalties contained in §11-113, Failure to Obtain Housing Permit.

§308-109. Inspection.

1. Initial Inspection.

- A. If an initial application inspection is required pursuant to the provisions of this Chapter upon receipt of a fully completed application for a Housing Permit and receipt of payment of the applicable fee the Property Maintenance Division shall within 10 days of said receipt schedule an exterior and interior inspection of the dwelling unit or rooming unit to be performed no later than 30 days from said receipt to determine if the dwelling unit or rooming unit is compliant with the applicable City of Reading Codes and Codified Ordinances. If the City inspector performing the inspection determines that the dwelling unit or rooming unit complies with the applicable City of Reading Codes and Codified Ordinances, the inspector shall so advise the owner and report the same in writing to the City of Reading Property Maintenance Division. Upon receipt of such written report of compliance and a determination that all other requirements have been met the Property Maintenance Division shall issue the Housing Permit.
- B. In the event the City's inspector determines that the dwelling unit or rooming unit is in violation of one or more of the applicable provisions of the City of Reading Codes and Codified Ordinances, the Property Maintenance Division shall be instructed not to issue the Housing Permit. Additionally, the City Official shall issue a notice of violation as provided in the appropriate Code. Further, if the violation is not corrected within the time frame established on the notice of violation the City Official shall commence the appropriate legal proceedings as

permitted by the applicable Code. The owner shall notify the Property Maintenance Division of correction, remediation and/or abatement of the violation. Within 10 days of receipt of said notification from the owner, the Property Maintenance Division shall schedule a re-inspection of the dwelling unit or rooming unit to determine if the violations set forth in the notice of violation have been remedied, corrected and/or abated. If the Codes Official determines that the violations have been remedied, corrected and/or abated in accordance with the applicable City of Reading Codes and Codified Ordinances, the Code Official shall so advise the owner and Property Maintenance Division and in so doing authorize issuance of the Housing Permit. Occupancy of the dwelling unit or rooming unit is prohibited until a Housing Permit is issued.

2. Renewal Inspections

- A. An inspection of a rental unit as defined in this Chapter shall be performed by Property Maintenance Division if necessitated by reported changes to a rental unit on the Annual ~~Rental~~ Housing Permit Renewal form or, in the absence of reported changes, on a revolving basis not less than every 2 years nor more than 5 years from the date of last inspection pursuant to the City of Reading Housing Property Inspection Program.
- B. If the Property Maintenance Division Official performing the inspection determines that the dwelling unit or rooming unit complies with the applicable City of Reading Codes and Codified Ordinances, the Official shall so advise the owner, make the appropriate entry in the official records for the said property maintained by the Property Maintenance Division and issue an official certificate of compliance.
- C. In the event the Property Maintenance Division Official performing the inspection determines that the dwelling unit or rooming unit is in violation of the applicable City of Reading Codes and Codified Ordinances, the Property Maintenance Division shall withhold the renewal of the Housing Permit until the violations are corrected and the property is determined to be in compliance with the applicable Codes and Codified Ordinances. In addition, the City Official shall issue a Notice of Violation as provided for in the applicable provision of the Code and Codified Ordinances. Failure of the property owner to correct the specified violations within the time frame established on the Notice of Violation shall result in the revocation of the Housing Permit and an authorized City Official shall commence the appropriate legal proceedings to enforce the applicable Code and Codified Ordinances including but not limited to action to vacate the dwelling unit or rooming unit as operation thereof is prohibited without a valid Housing Permit. Nothing herein shall prevent the City from taking any other action authorized by §11-122 of this Chapter. In the event the property is vacated as a result of an order from the City Official it shall remain vacated until the Codes Official determines that the violations have been remedied, corrected and/or abated. The owner shall notify the Property Maintenance Division of correction, remediation and/or abatement of the violation. Within 10 days of receipt of said notification from the owner, the Property Maintenance Division shall schedule a re-inspection of the dwelling unit or rooming unit to determine if the violations set forth in the notice of violation have been remedied, corrected and/or abated. If the Codes Official determines that the violations have been remedied, corrected and/or abated in accordance with the applicable City of Reading Codes and Codified Ordinances, the Code Official shall so advise the owner and Property Maintenance Division and in so doing authorize issuance of the Housing Permit.

3. **Routine Inspection.** The Property Maintenance Division shall perform routine inspections on all dwelling units and rooming units subject to the provisions of the applicable City of Reading Codes and Codified Ordinances.

4. **Complaint Inspections.** Nothing in this Part shall preclude the Property Maintenance Division/Code Official from performing an inspection upon receipt of a complaint of violation of the City of Reading Codes and Codified Ordinances existing at the dwelling unit or rooming unit. Said inspections shall be in accord with the applicable Codes and Ordinances and regulations and policies established by the City of Reading Property Maintenance Division. A complaint of violation shall include but not be limited to a violation of a City of Reading Code or Ordinance, e.g., Property Maintenance Code [Chapter 5, Part 6] and/or disruptive conduct report.

5. **Search Warrant and Injunction.** If any owner, occupant or other person in charge of a structure subject to the provisions of this Part refuses, impedes, inhibits, interferes with, restricts or obstructs entry and free access to every part of the structure or premises where inspection authorized by this Part is sought, the administrative authority, Property Maintenance Division, shall promptly apply for an administrative search or inspection warrant to a court of competent jurisdiction and shall supply all necessary affidavits and testimony to indicate that there is a reasonable or probable cause to conduct an inspection. *The Property Maintenance Division is further authorized to apply for an Injunction to a court of competent jurisdiction and seek injunctive relief as necessary.*

6. **Notice.** All notices scheduling an inspection shall be mailed via regular mail to the owner of record.

7. **Failure to Appear for Inspection.** If the owner or authorized agent cannot be available at the proposed time, said owner or authorized agent, shall provide no less than 24-hour written notice to the Property Maintenance Division. Upon failure to give such written notice or upon failure to gain entry, an administrative fee of \$150 will be assessed against the owner failing to supply written notice or appear. If the property owner or authorized agent fails to appear for the second scheduled inspection an administrative fee of \$250 will be assessed against the property owner. If the property owner or authorized agent fails to appear for a third scheduled inspection or any combination of scheduled inspections, cancellations or failure to gain entry, the Property Maintenance Division shall assess an administrative fee of \$400 and may placard the subject property and/or promptly seek an administrative search or inspection warrant from a court of competent jurisdiction by supplying all necessary affidavits and testimony in support thereof.

§308-110. Housing Permit.

Upon compliance by the owner of the dwelling unit or rooming unit of the requirements of this Part, the City of Reading Property Maintenance Division shall issue a Housing Permit on an official form containing the letterhead of the City of Reading Property Maintenance Division and a facsimile of the Official Seal which shall include but not be limited to the following:

- A. Name, mailing address and telephone number (business and mobile) of owner.
- B. Number of dwelling units-permitted
- C. Date of last application inspection.

- D. Date of last inspection.
- E. A place for date and initials of Code Official indicating performance of a routine or complaint inspection and whether or not violations were found.
- F. Date of issuance of permit.
- G. Date of required renewal of permit.
- H. Printed name of person issuing permit.

§308-111. Posting of the Housing Permit.

The Housing Permit or an identical, clear and legible photocopy thereof shall be conspicuously posted and maintained in the front entryway, vestibule or other main entrance area of the dwelling unit or rooming unit so that the same is visible and observable from outside the building at the front of the property by City Code, Property Maintenance Division, or emergency personnel.

§308-112. Structural Changes

Any change in the structural condition or integrity of a property shall be reported in writing to the Property Maintenance Division within 7 days of such change. Prior to any change in the structural condition or integrity of a property, the owner shall obtain any necessary permits from the Building and Trades Office.

§308-113 Failure to Obtain Housing Permit

1. **Prohibition.** It shall be unlawful for the owner of any property to fail to obtain a Housing Permit as required in §11-103, Housing Permit Required.
2. **Surcharge.** In the event an authorized City official determines an owner failed to obtain a necessary Housing Permit, a non-compliance surcharge of \$1,000 per unit shall be imposed to the application fee and written notice of non-compliance shall be delivered personally, mailed to the owner by first class/certified mail or email at the last known address, as well as by posting written notice in the form of a placard on the front entrance of the subject property notice. If the notice is returned showing that the letter was not delivered, a copy thereof shall be posted in a conspicuous place in or about the structure affected by such notice. Service upon any executive officer of a corporation shall be a sufficient, but not the exclusive method of service upon the corporation. Service upon any partner of a partnership shall be a sufficient but not the exclusive method of service upon the partnership.

Said notice of non-compliance shall advise the owner of the non-compliance surcharge and the requirement to submit the Housing Permit application within 15 days from the date of the date of mailing and posting. Failure to submit a complete application within the prescribed time shall result in the assessment of a continuing non-compliance surcharge of \$300 per unit per month or portion thereof until such time as a complete application for a required Housing Permit is received by the Property Maintenance Division. The

City of Reading may pursue an in personam action (legal proceeding against the person) for the collection of any outstanding surcharges owed.

3. **Review and Hearing.** Upon payment of the fees and surcharges set forth in subsection 2 above, a property owner may make written request to the Director of the Department of Community Development for: (a) review of any fees or surcharges (including the calculation thereof) imposed upon a finding of non-compliance, or (b) for a separate administrative hearing to challenge or dispute a finding of non-compliance and/or the calculation of any fees or surcharges imposed as a result thereof. The Director of the Department of Community Development or his designee shall conduct any requested review of fees and surcharges. In the event an administrative hearing is requested, the request shall be accompanied by a deposit of \$500 as security for the payment of costs in the event findings and calculations by the Property Maintenance Division is affirmed. The administrative hearing shall be conducted by one of the independent hearing officers separately appointed by City Council to conduct hearings for conditional use applications in housing matters. The assignment of an independent hearing officer in response to the request shall be made by the City Clerk. The property owner will be notified in writing of the administrative hearing date, which shall be within 30 days of the request, and a written statement of findings of facts and conclusions of law shall be issued by the hearing officer within 15 days of said proceeding. The unexcused failure of the owner to appear for said hearing will result in the denial and dismissal of the challenge or dispute. The cost of the administrative hearing shall be borne by the City in the event the findings and calculations by City personnel are not fully affirmed.

§308-114 Owner and Occupant Duties.

1. Owner's Duties.

- A. It shall be the duty of every owner to keep and maintain all rental units in compliance with all applicable codes and provisions of all applicable State laws and regulations and local ordinances, and to keep such property in good and safe condition and to be aware of, and to act to eliminate disruptive conduct in such rental units.
- B. It shall be unlawful for any person or entity to offer, conduct, operate, or cause to be rented any rental unit within the City of Reading without a valid and current Housing Permit.
- C. It shall be the responsibility of every owner to employ policies and manage the dwelling units under his/her control in compliance with the provisions of this Chapter, the City Codes and Codified Ordinances and applicable State laws.

2. Tenant/Occupant Duties

- A. The occupant(s) shall comply with all obligations imposed unto by this Part and by the City of Reading Codified Ordinances including, but not limited to, Chapter 2, Animals, Chapter 3, Bicycles, Chapter 5, Code Enforcement, Part 6, Property Maintenance Code, Chapter 6, Conduct, Chapter 10, Health and Safety, Chapter 15, Motor Vehicles and Traffic, Chapter 20, Solid Waste, and Chapter 21, Streets and Sidewalks, as well as all State laws and regulations.

- B. The occupant(s) shall conduct themselves and require other persons including, but not limited to, guests on the premises and within their rental unit with their consent, to conduct themselves in a manner that will not disturb the peaceful enjoyment of the premises by others and that will not disturb the peaceful enjoyment of adjacent or nearby dwellings by people occupying the same.
- C. The occupant(s) shall not engage in, nor tolerate, nor permit others on the premise to cause damage to the rental unit or engage in disruptive conduct, or other violations of this Part, City Codes or applicable State laws.
- D. Police officers or public officers shall investigate alleged incidents of disruptive conduct. They shall complete a disruptive conduct report upon a finding that the reported incident constitutes disruptive conduct as defined herein. The information filed in said report shall include, if possible, the identity of the alleged perpetrators of the disruptive conduct and all other obtainable information, including the factual basis for the disruptive conduct described on the prescribed.

§308-115. Owners Jointly and Severally Responsible.

If any regulated dwelling unit or rooming unit is owned by more than one person, in any form of joint tenancy, as a partnership, corporation or otherwise, each person shall be jointly and severally responsible for the duties imposed under the terms of this Part and shall be severally subject to prosecution for the violation of this Part.

§308-116 - Fees for Housing Permits, Surcharges and Administrative Fees

1. Fee Schedule

Fees required for an application for, and annual renewal of, a Housing Permit, as well as inspection-related and other applicable fees shall be established by City Council and included on the City's fee schedule.

2. Waiver of Fees

The permit fees established in subsection (1) above shall be waived if the owner or the spouse, son, daughter, mother, father, sister or brother of the owner occupy a single family property.

3. Prosecution of Violation

Notwithstanding the above, nothing will prevent the Property Maintenance Division from commencing a summary offense criminal action via the issuance of a non-traffic citation for sections of Chapter 11 in accord with the Pennsylvania Rules of Criminal Procedure in the court of appropriate jurisdiction and the violations shall be deemed a strict liability offense.

4. Collections

All delinquent fees under this part shall be turned over to a Collections Agency and are subject to collection costs.

§308-117. Reserved

§308-118. Official Notices.

All official notices, excluding notice of inspection, including, but not limited to, notices of violation relating to a dwelling unit or rooming unit shall be mailed to or personally served on the owner. All official notices, excluding notice of inspection which shall be in the manner set forth herein, shall be by first class mail to the address of record of the owner and posting of the dwelling unit or rooming unit. The address of record of the owner shall be that provided to the Property Maintenance Division and in the absence of the same the address provided by the County of Berks. Any owner change of address must be performed through the County of Berks Assessment Office. There shall be a rebuttable presumption that any notice required to be given under this Part shall have been received by owner if the notice was given in the manner provided. A claim of lack of knowledge by the owner of any violation hereunder or City of Reading Codes shall not be a defense to license nonrenewal, suspension or revocation proceedings as long as all notices prerequisite to institution of such action were given and deemed received in accord with the applicable provisions of this Part.

§308-119. Placarding and Condemnation

The City of Reading Property Maintenance Division is hereby authorized to placard and condemn thereby requiring the immediate vacation, or within the discretion of the Property Maintenance Division, vacation within a specific and reasonable amount of time for vacation of a property that is being rented and for which a Housing Permit has not been obtained or for which an inspection has not been performed or completed by the Property Maintenance Division as required by Section 109 of this Chapter.

§ 308-120. Appeal

1. Administrative Appeal

a. Except as provided in §11-113, Failure to Obtain Housing Permit, any person who is aggrieved by this Ordinance may appeal to the Director of Community Development or his/her designee by submitting a request for appeal in writing within fifteen (15) calendar days of the date of determination by the Property Maintenance Office.

b. The appeal hearing will be held before the Director of Community Development or his or her designee. The Administrator or his/her designee may uphold the appeal, deny the appeal or may modify the determination by the Property Maintenance Office as he/she sees appropriate.

2. Subsequent Appeals

Any subsequent appeal filed under this Ordinance, including a subsequent appeal to §11-113, Failure to Obtain Housing Permit, shall be filed to the Berks County Court of Common Pleas pursuant to 2 Pa.C.S. §751 and §752.

PART II.

DISRUPTIVE CONDUCT

§308-201. Definitions

DISRUPTIVE CONDUCT - any form of conduct, action, incident or behavior perpetrated, caused or permitted by any occupant or visitor of a rental unit that is so loud, untimely (as to hour of the day), offensive, riotous, or that otherwise disturbs other persons of reasonable sensibility in their peaceful enjoyment of their premises, or causes damage to said premises such that a report is made to a police officer and/or a public officer complaining of such conduct, action, incident, or behavior. It is not necessary that such conduct, action, incident or behavior constitute a criminal offense, nor that criminal charges be filed against any person in order for said person to have perpetrated, caused or permitted the commission of disruptive conduct, as defined herein. Provided, however, that no disruptive conduct shall be deemed to have occurred unless a public officer or a police officer shall investigate and make a determination that such did occur, and keep written records, including a disruptive conduct report, of such occurrences. The tenant and the owner, operator, responsible agent or manager shall be notified of any such occurrences, in writing.

DISRUPTIVE CONDUCT REPORT - a written report of disruptive conduct on a form to be prescribed therefore to be completed by a police officer or a public officer, as the case may be, who actually investigates an alleged incident of disruptive conduct and which shall be maintained by the Department of Police and Property Maintenance Division.

TWELVE-MONTH PERIOD - for purposes of this Part 12-month period shall be calculated by counting 12 months back from the most recent disruptive conduct report.

§308-202. Disruptive Conduct.

1. **Investigation and Report of Disruptive Conduct.** Police officers or public officers shall investigate alleged incidents of disruptive conduct. They shall complete a Disruptive Conduct Report upon a finding that the reported incident constitutes disruptive conduct as defined herein. The information filed in said report shall include, if possible, the identity of the alleged perpetrators of the disruptive conduct and all other obtainable information, including the factual basis for the disruptive conduct described on the prescribed form. A copy of the Disruptive Conduct Report shall be given or mailed to the occupant and mailed to the owner within 10 working days of the occurrence of the alleged disruptive conduct.

2. **Eviction.** After two disruptive conduct incidents in any 12-month period by an occupant documented by Disruptive Conduct Reports, the owner shall have 10 working days from the date of the written notice to begin eviction proceedings against the occupant(s) and pursue the same through any appeal to the Berks County Court of Common Pleas if reasonably requested by the Property Maintenance Division. This subsection is not intended to limit or inhibit the owner's right to initiate eviction action.

3. **Suspension or Revocation of Housing Permit.** Failure of an owner or local authorized agent to take action required in subsection (3) above will result in the commencement of the process to suspend a Housing Permit in accordance with per the process established herein, notwithstanding any other requirements therefore.

4. **Reinstatement of Housing Permit.** The rental unit involved shall not have its Housing Permit reinstated until the applicable reinstatement fee is paid and the disruptive occupants have been evicted, the Housing Board of Appeals has ruled in the occupant's favor, the Housing Board of Appeals has ruled in the owner's favor but has not ordered the eviction of the occupant(s), or the occupants have filed an appeal to a higher court thereby preventing their eviction. Notwithstanding this subsection, if there are violations assessed against the owner per the provisions of this Part which require suspension or revocation, a Housing Permit shall not be reinstated until compliance with the requirements therefore have occurred.

5. **Report Against All Occupants.** The content of the disruptive conduct report shall count against all occupants of the rental unit. The content of the disruptive conduct report shall not count against all occupants of the rental unit if the complaint is initiated by one of the rental unit occupants. More than one Disruptive Conduct Report filed against the occupants of a rental unit in a 24-hour period shall count as a single disruptive conduct report for the purpose of the preceding subsection.

6. **Maintenance of List of Disruptive Conduct Report Tenants and Occupants and Evicted Occupants.** The Codes Enforcement Office shall maintain a list of the names of all occupants and tenants against whom a Disruptive Conduct Report is issued as a result of this Part. The Property Maintenance Division shall also maintain a list of all occupants and tenants evicted as a result of this Part. The names shall remain on the list for a period of 5 years.

§308-203. Housing Board of Appeals.

1. **Appeals.** The occupant and/or owner may appeal the contents of said Disruptive Conduct Report. Additionally, any person aggrieved by the suspension, nonrenewal, denial or revocation of a Housing Permit may appeal. All appeals must be filed, in writing, with the Administrator of the Property Maintenance Division, with the appropriate filing fee, as per the City of Reading Fee Schedule, within 10 working days from the date of receipt of the disruptive conduct report or notice of suspension, nonrenewal, denial or revocation of a Housing Permit.

2. Organization.

A. **Membership.** The Housing Board of Appeals shall be a body of seven members consisting of: the Managing Director or his/her designee who shall serve as Chairperson; a Councilperson, Administrator of the Property Maintenance Division or their designee; the Chief of Police or his/her designee; an owner of a rental unit(s) in Reading; an occupant of a rental unit residing in the City of Reading; and a member of a community group recognized by the City of Reading.

B. **Alternates.** There shall be three alternate members: an owner, an occupant of a rental unit residing in the City of Reading and a member of a community group recognized by the City of Reading.

C. **Appointment.** All members of the Board shall be appointed by the Mayor with the advice and consent of the Council of the City of Reading, with the exception of the Council Member, who shall be appointed by the Council President.

- D. **Term.** A member or alternate member shall serve a term of not more than 3 years from the time of appointment or reappointment or until his/her successor shall take office. Members and alternates of the initial board shall be appointed to staggered terms of 1, 2 and 3 years.
 - E. **Powers of Designee and Alternates.** Designees and alternate members may be requested to attend meetings in absence of a regular member and shall have all the powers of a regular member at such meetings.
 - F. **Oaths and Subpoenas.** The Board shall have power to administer oaths and issue subpoenas to compel the attendance of witnesses and the production of relevant documents and papers, including witnesses and documents requested by the parties.
 - G. **Quorum and Majority Vote.** Four members shall constitute a quorum of the Board. A majority vote of the members of the quorum of the Board shall prevail. A tie vote shall be deemed as a denial of the appeal.
 - H. **Removal of Members.** Any member may be removed for misconduct or neglect of duty or for other just cause by a majority vote of Council taken after the member has received 15 days advance notice of the intent to take such vote. Failure of a member to attend three consecutive regular meetings of the Board will constitute grounds for immediate removal from the Board by City Council. Failure of a member to attend at least 50% of the regular meetings of the Board in a calendar year will constitute grounds for immediate removal from the Board by City Council. The Chairperson of the Board shall inform the City Clerk in writing when a member has failed to comply with this attendance policy. Following such notification, City Council may vote to remove the member and seek applicants to fill the vacant position.
3. **Powers.** The Board shall have the following powers:
- A. **Promulgate Rules and Regulations.** To adopt and administer the rules of procedure regarding its organization, officers (except the Chairperson), times and places of meetings, conduct of meetings and other legal procedures relating to the hearing and determination of appeals and other matters within the Board's jurisdiction.
 - B. **Hear and Decide Appeals.** To hear and decide appeals where it is alleged there is error in any order, requirement, decision or determination made by the police officer or public officer in the enforcement of the provisions of this Part.
 - C. **Grant Modification or Variance.** To modify any notice of violation or order and to authorize a variance from the terms of this code when because of special circumstances, undue hardship would result from literal enforcement, and where such variance substantially complies with the spirit and intent of the Code.
 - D. **Grant Extension of Time.** To grant a reasonable extension of time for the compliance, as described in the City's Property Maintenance Code [Chapter 5, Part 6] and other applicable sections of the City of Reading Codified Ordinances of any order where there is a demonstrated case of hardship and evidence of bona fide intent to comply within a reasonable time period.

- E. **Timeliness.** In exercising the above-mentioned powers, the Board shall act with reasonable promptness and seek to prevent unwarranted delays prejudicial to the party involved and to the public interest; provided, however, that the Board shall file its decision within 15 working days after the appeal hearing.
- F. **Oaths and Subpoenas.** The Board shall have power to administer oaths and issue subpoenas to compel the attendance of witnesses and the production of relevant documents and papers, including witnesses and documents requested by parties.
- G. **Authority.** The Board may reverse or affirm wholly or partly, or may modify the order, requirement, decision or determination appealed from and may make such order, requirement, decision or determination as justice would require, and, to that end, shall have all the powers of the police officer or public officer; provided, however, that the Housing Board of Appeals, in its determination, shall be bound by this Part and shall not ignore the clear provisions and intent of this Part.

2. **Effect of Appeals.** Any decision or order issued under, per and in accord with this Part, shall be held in abeyance upon the timely filing of an appeal thereof with the Housing Board of Appeals. Said abeyance shall include, but not be limited to, revocation, suspension, denial or nonrenewal of a Housing Permit until the appeal is resolved. An appeal of the two disruptive conduct reports within a 12-month period shall stop the eviction proceedings against the occupants until the appeal is resolved, only if the eviction proceedings were a direct result of the second disruptive conduct report.

3. **Enforcement upon Resolution of Appeal of Housing Board.** If this appeal is of a second disruptive conduct report and the decision of the police officer or public officer has been affirmed, within 10 working days and time for compliance as required by the decision of the Housing Board of Appeals, the public officer shall re-inspect to determine compliance as to whether the occupant has voluntarily moved from the premises or the owner has initiated eviction proceedings. If, when so required by a second disruptive conduct report, the occupant has not voluntarily moved or the owner has not initiated eviction proceedings, and for compliance as required by the decision of the Board has expired, the public officer shall institute revocation of the Housing Permit pursuant to the provisions set forth in this Part.

§308-204. Appeal to Court of Common Pleas.

Any person, including the police officer or public officer for the City, aggrieved by any decision of the Housing Board of Appeals, may appeal to the Court of Common Pleas of Berks County. Such appeal shall be made by a duly verified petition in accord with the Pennsylvania Rules of Civil Procedure and shall set forth the factual and legal basis upon which the decision of the Board is alleged to be incorrect or illegal, in whole or in part. Said petition shall be filed with the Court of Common Pleas within 30 days after service of the decision. Notice of the appeal shall be served upon all parties to the appeal before the Housing Board of Appeals, including the Board and City of Reading, at the time of its filing. An appeal to the Court of Common Pleas of a decision of the Housing Board of Appeals shall not hold automatically stay enforcement of the Board's decision.

§308-205. Share Information.

The City of Reading Property Maintenance Division is authorized to share any and all information obtained under this Code with the other Departments and Divisions of the City of Reading.

§308-206. Compliance with Other City of Reading Ordinances

Every owner of every dwelling, in addition to the provisions set forth herein, shall comply with the provisions (sections) of all other applicable City Ordinances including, but not limited to, the International/City of Reading Building Code [Chapter 5, Part 1B], Existing Building Code [Chapter 5, Part 1C], Plumbing Code [Chapter 5, Part 2], Mechanical Code [Chapter 5, Part 5], Electrical Code [Chapter 5, Part 4], Fire Code [Chapter 5, Part 3], and Residential Code [Chapter 5, Part 8], Property Maintenance Code [Chapter 5, Part 6], Solid Waste and Recycling Ordinance [Chapter 20, Part 1], Health Code [Chapter 10, Part 1], and Zoning Ordinances [Chapter 27].

PART III

VANCAT PROPERTY REGISTRATION

§308-301. DEFINITIONS.

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning.

ABANDONED REAL PROPERTY - any real property located in the City, whether vacant or occupied, that is in default on a mortgage, has had a lis pendens filed against it by the Lender holding a mortgage on the property, is subject to an ongoing foreclosure action by the Lender, is subject to an application for a tax deed or pending tax assessors lien sale, or has been transferred to the Lender under a deed in lieu of foreclosure. The designation of a property as "abandoned" shall remain in place until such time as the property is sold or transferred to a new owner, the foreclosure action has been dismissed and any default on the mortgage has been cured.

ACCESSIBLE PROPERTY/ STRUCTURE - a property that is accessible through a compromised/breached gate, fence, wall, etc. or a structure that is unsecured and/or breached in such a way as to allow access to the interior space by unauthorized persons.

APPLICABLE CODES - to include, but not be limited to, the City's Codified Ordinances ("City Code") and the Pennsylvania Building Code.

BLIGHTED PROPERTY – includes but is not limited to:

- 1) Properties that have broken or severely damaged windows, doors, walls, or roofs which create hazardous conditions and encourage trespassing; or
- 2) Properties whose maintenance is not in conformance with the maintenance of other neighboring properties causing a decrease in value of the neighboring properties; or

- 3) Properties cited for a public nuisance pursuant to the City Code; or
- 4) Properties that endanger the public's health, safety, or welfare because the properties or improvements thereon are dilapidated, deteriorated, or violate minimum health and safety standards or lacks maintenance as required by the City and Zoning Codes.

ENFORCEMENT OFFICER - any law enforcement officer, building official, zoning inspector, code enforcement officer, fire inspector or building inspector, or other person authorized by the City to enforce the applicable code(s).

OWNER - any person, legal entity or other party having any ownership interest whether legal or equitable, in real property. This term shall also apply to any person, legal entity or agent responsible for the construction, maintenance or operation of the property involved.

PROPERTY MANAGEMENT COMPANY - a local property manager, property maintenance company or similar entity responsible for the maintenance of abandoned real property.

Vacant - any building or structure that is not legally occupied.

§308-302. ESTABLISHMENT OF A REGISTRY

Pursuant to the provisions of this Part, the City or designee shall establish a registry cataloging each Abandoned Property within the City, containing the information required within.

§308-303. REGISTRATION OF ABANDONED REAL PROPERTY

- (a) Any mortgagee who holds a mortgage on real property located within the City of Reading shall perform an inspection of the property to determine vacancy or occupancy, upon default by the mortgagor. The mortgagee shall, within ten (10) days of the inspection, register the property with the City's Property Maintenance Division on forms or website access provided by the City, and indicate whether the property is vacant or occupied. A separate registration is required for each property, whether it is found to be vacant or occupied.
- (b) If the property is occupied but remains in default, it shall be inspected by the mortgagee or his designee monthly until (1) the mortgagor or other party remedies the default, or (2) it is found to be vacant or shows evidence of vacancy at which time it is deemed abandoned, the mortgagee shall, within ten (10) days of that inspection, update the property registration to a vacancy status on forms provided by the City.
- (c) Registration pursuant to this section shall contain the name of the mortgagee and the server, the direct mailing address of the mortgagee and the server, a direct contact name and telephone number for both parties, facsimile number and e-mail address for both parties, the folio or tax number, and the name and twenty-four (24) hour contact phone

number of the property management company responsible for the security and maintenance of the property.

- (d) A non-refundable annual registration fee shall be assessed as per the City of Reading Fee Schedule and shall accompany the registration form or website registration.
- (e) All registration fees must be paid directly from the Mortgagee, Servicer, Trustee, or Owner. Third Party Registration fees are not allowed without the consent of the City and/or its authorized designee.
- (f) This section shall also apply to properties that have been the subject of a foreclosure sale where the title was transferred to the beneficiary of a mortgage involved in the foreclosure and any properties transferred under a deed in lieu of foreclosure/sale.
- (g) Properties subject to this section shall remain under the annual registration requirement, and the inspection, security and maintenance standards of this section as long as they remain vacant or in default.
- (h) Any person or legal entity that has registered a property under this section must report any change of information contained in the registration within ten (10) days of the change.
- (i) Failure of the mortgagee and/or owner to properly register or to modify the registration form from time to time to reflect a change of circumstances as required by this Part is a violation of this Part and shall be subject to enforcement.
- (j) Pursuant to any administrative or judicial finding and determination that any property is in violation of this Part, the City may take the necessary action to ensure compliance with and place a lien on the property for the cost of the work performed to benefit the property and bring it into compliance.

§308-303. MAINTENANCE REQUIREMENTS

All abandoned real properties are subject to the requirements contained within the City's Property Maintenance Ordinance.

§308-304. INSPECTIONS FOR VIOLATIONS

Adherence to this article does not relieve any person, legal entity or agent from any other obligations set forth in any applicable code(s), which may apply to the property. Upon sale or transfer of title to the property, the owner shall be responsible for all violations of the applicable code(s) and the owner shall be responsible for meeting with the City's Property Maintenance Division for a Health and Safety Inspection.

§308-305. PENALTIES; SCHEDULE OF CIVIL PENALTIES

Any person who shall violate the provisions of this article may be cited and fined as provided in the City of Reading Fee Schedule.

BILL NO. _____-2014
AN ORDINANCE

AMENDING THE ADMINISTRATIVE CODE, CHAPTER 5, SECTION RE3117-OO5a-Ex A – PURCHASING POLICIES.

Whereas the Council of the City of Reading hereby ordains as follows:

Section 1. Amending the Administrative Code, Chapter 5, Section Re3117-Oo5a-Ex A – Purchasing Policies, as attached in Exhibit A.

Section 2. All ordinances or resolutions, or parts of ordinances or resolutions, insofar as they are inconsistent with this Ordinance are hereby repealed.

Section 3. The provisions of this Ordinance shall be severable and if any of its provisions shall be held to be unconstitutional or illegal, the validity of any other remaining provisions of the Ordinance shall not be affected thereby. It is hereby expressly declared as the intent of the City Council of the City of Reading that this Ordinance would have been adopted had such unconstitutional or illegal provision or provisions had not been included herein.

Section 4. This ordinance shall become effective ten (10) days after it adoption, in accordance with Sections 219 & 221 of the City of Reading Home Rule Charter.

Enacted: _____, 2014

President of Council

Attest:

City Clerk
(Adm Services & Council Staff)

Submitted to Mayor: _____

Date: _____

Received by the Mayor's Office: _____

Date: _____

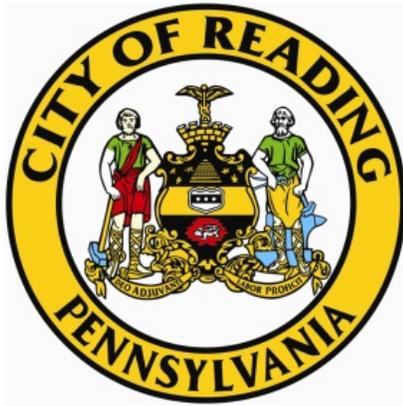
Approved by Mayor: _____

Date: _____

Vetoed by Mayor: _____

Date: _____

CITY OF READING



Purchasing Policy & Procedures Manual

Forward

The purpose of this manual is to provide all departments, divisions, offices and agencies with the procedures and policies to be used in the procurement of goods and services and to provide for the fair and equitable treatment of all persons involved in public purchasing by the City of Reading; to maximize the purchasing value of public funds; and to provide safeguards for maintaining a procurement system of quality and integrity.

The purchasing function involves the procurement of materials, supplies, equipment, and services at best value, consistent with the quality needed to meet the required standards established and approved by the City of Reading. Our goal is the promotion of the best interest of the City of Reading through intelligent action and fair dealings, resulting in obtaining maximum savings for the City.

Rules and regulations are necessary for the proper operation of the purchasing function and it is essential that all who are involved in the purchasing operation be well informed. This manual was developed to aid all employees directly or indirectly associated with the function of purchasing.

The objectives of the Purchasing Division are as follows:

1. To deal fairly and equitably with all vendors wishing to do business with the City of Reading.
2. To provide professional procurement services for all customers within the City.
3. To assure adherence to all laws, regulations, and procedures related to City procurement.
4. To maximize competition for all procurements of the City.
5. To purchase goods and services at the best value, if not lowest price, consistent with quality performance and delivery requirements, from capable vendors meeting the City's needs.

Section 1

Purchasing Division

Responsibilities, Function & Objectives

1.01 PURPOSE:

The purpose of this regulation is to formalize the City of Reading purchasing policy by delineating the specific authorities and responsibilities that are the components of the purchasing process.

1.02 APPLICABLE TO:

All departments, divisions, offices and agencies.

1.03 GENERAL PURCHASING POLICY:

1. Overall authority and responsibility for City Purchasing is centralized in the Purchasing office within the Administrative Services Department.
2. The purchasing policy is applicable to all offices and encompasses more than just the service function of ordering and buying goods and services. Functions such as planning and scheduling purchases, seeking competition, assuring the preparation of proper specifications, and enforcing compliance with all purchasing regulations and procedures are part of the purchasing program.

1.04 PURCHASING COORDINATOR:

1. Authorities. The purchasing coordinator shall have the authority to:
 - A. Purchase or contract for all materials, supplies, equipment and contractual services for all City departments with the exception of:
 - ◆ Books, subscriptions
 - ◆ Business meeting expenses
 - ◆ Charitable contributions
 - ◆ Dues
 - ◆ Items that can legitimately be purchased via the petty cash process
 - ◆ Postage
 - ◆ Tuition
 - ◆ Travel – meals, mileage, transportation
 - ◆ Utility services that are not regulated by the PUC

(1) In case of an emergency, purchase authority is delegated to the individual departments, divisions, offices or agencies when the purchasing coordinator is unavailable i.e., after normal working hours, (see Administrative Procedures, "Emergency Purchase Procedure").

(2) It is a violation of this regulation for any official or employee of the City to purchase other than the commodities or services exempted, as stated above, in a way that circumvents the purchasing coordinator. Violation of this regulation will result in appropriate disciplinary action, including reimbursement to the City for any payments made for purchase in violation of this regulation.

B. The purchasing coordinator shall have the authority to review all requisitions for the purchase of materials, supplies, equipment and services not exempted from this regulation for quality and cost.

(1) The purchasing process begins with the user's formulation of specifications that identify and describe the product or service to be purchased.

(2) The purchasing coordinator will assure that the specifications meet the user's needs, but do not call for features or a level of quality not necessary for the item's use.

(3) If there is a lack of agreement between the purchasing coordinator and the department, division, office or agency concerning any specifications, the purchasing coordinator will refer the case and all supporting documentation to the Administrative Services Director for determination.

C. Prepare, in cooperation with departments, divisions, offices or agencies, standard written specifications for supplies and/or services not exempted by this regulation especially those common to various City departments, divisions, offices or agencies.

D. Place orders for all supplies, materials, equipment or services, not exempted by this regulation, by the issuance of a purchase order.

E. Dispose of surplus or unused materials, supplies or equipment after they have been declared as surplus by the Administrative Services Director.

Disposal shall be on an annual or more frequent basis as deemed necessary by the Managing Director in accordance with City purchasing regulations. The sale of any surplus by a City employee, without the approval of the Managing Director, constitutes a violation of this regulation and will result in appropriate disciplinary action.

F. Enforce all purchasing regulations and procedures.

1.05 HEADS OF DEPARTMENTS, DIVISIONS, OFFICES AND AGENCIES:

1. Responsibilities. The individual department, division, office or agency or their designees have the responsibility to:

- A. Furnish the purchasing coordinator with all necessary information to assure that the purchase will be correct in all details.
- B. Ensure that specifications are not restrictive and do not call for features or a level of quality unnecessary for an item's use.
- C. Provide a valid written justification when requesting a proprietary item or issuing a restrictive specification.
- D. Provide a list of suggested vendors. This may assist the purchasing coordinator in finding the item requested. It does not limit the purchasing coordinator to contacting those vendors.
- E. Ensure that there is no commitment of the City to the purchase of any item, except those covered by the Emergency Purchase Procedure and Section 1.04.1.A of this Policy.
- F. Notify the purchasing coordinator immediately if any material, supplies, or equipment is inferior in quality or in any way unsatisfactory.
- G. Notify purchasing quarterly, of any surplus, obsolete or scrap material or equipment that exist in their departments, divisions, offices and agencies.

1.06 EXCEPTIONS TO PURCHASING POLICY:

Where these regulations conflict with requirements stipulated and/or mandated for the use of federal or other grant funds, the requirements governing the expenditure of those funds shall prevail.

Section 2

General Guidelines

2.01 REQUISITION PROCESS

1. Preparing a Requisition. User must determine the item/ service needed and communicate an accurate and complete description. The requisition process is initiated by the user's completion of a requisition via the City's computer system.

2. Dollar Limits Covering Vendor Solicitation¹. With the exception of professional services, the purchasing coordinator follows the following guidelines concerning the dollar limits covering vendor solicitation.
 - A. Purchases up to \$4,000.00 - Purchases in this category require one (1) verbal quote.
 - B. Purchases of \$4,000.01 to \$9,999.99 - Purchases in this category require three (3) verbal or written quotes.
 - C. Purchases of \$10,000.00 and up – Purchases in this category require a formal solicitation.

3. Dollar Limits Covering Professional Services Solicitation. For professional services, the purchasing coordinator follows the following guidelines concerning the dollar limits covering vendor solicitation:
 - A. Purchases up to \$4,000.00 - Purchases in this category require one (1) verbal quote.
 - B. Purchases of \$4,000.01 to \$9,999.99 - Purchases in this category require three (3) verbal or written quotes.
 - C. Purchases of \$10,000.00 and up – Purchases in this category require a formal solicitation.
 - D. Purchases of \$35,000.00 and up – Requires a formal solicitation through advertising which requires a vendor to submit sealed bids accompanied by a bid surety, unless surety is waived at the time the solicitation is issued.

¹ Per Charter Section 915 B (1) and B (2)

The Managing Director may waive formal bidding procedures only when purchases must be made for an emergency declared by the Mayor and authorized by Council resolution, professional services required via a list from an insurance company or arbitration agreement; repair of any public work during an emergency; patented or copyrighted property; public utilities under tariffs on file with another governmental agency.

2.02 APPROVAL AUTHORITY

1. Contracts of up to \$34,999.99 are approved by the Managing Director.
2. Purchases and contracts of \$35,000.00 and higher must be approved by City Council.
3. To place an item on the City Council agenda, the department will forward all necessary documentation to the Purchasing Coordinator. The Purchasing Coordinator will prepare the request and submit it to the City Clerk for inclusion on the Council Consent Agenda.
4. All City contracts must be reviewed for form and content and signed by the City Solicitor before any City funds may be paid for said contract.
5. All City contracts must utilize the City's standard contract terms and conditions. This requirement may be waived on an individual basis if the Managing Director determines that the use of alternate contract terms and conditions are in the best interest of the City.

2.03 EXCLUSIONS

The following purchases are excluded from competitive bidding requirements:

1. Procurement of dues and memberships in trade or professional organizations; subscriptions for periodicals; advertisements; postage; used equipment; abstracts of titles for real property; title insurance for real property; real property; water, sewer, and electrical utility services; copyrighted materials; patented materials; art and artistic services; employment agreements; medical services; fees and costs of job-related travel; seminars; tuition; registration; and training.
2. Purchases from State of Pennsylvania or Federal GSA Contracts as well as contracts awarded by any local, state, or national government agency, cooperative purchasing organizations or purchasing associations.
3. Items purchased for resale to the general public.

Such purchases, transactions, and expenditures listed above shall be authorized by the Purchasing Coordinator. Certain procurements within the above categories may be obtained by competitive means when it is determined that adequate sources for the goods or services required are available.

Section 3

Emergency Purchase Procedure

3.01 PURPOSE:

The purpose of this procedure is to establish the proper purchasing procedure in times of emergency.

3.02 APPLICABLE TO:

All departments, divisions, offices and agencies.

3.03 DEFINITION:

1. An emergency is defined as an unanticipated situation requiring immediate action to avoid the loss of life, limb or property.

3.04 POLICY:

1. There will be no commitment of City funds to purchase goods or services outside the normal purchasing procedure, unless the need meets the criteria as defined above in Section 3.03.1.

2. The Mayor has the authority to declare a State of Emergency as provided for by Pennsylvania statues and to subsequently suspend all standard operating purchasing procedures, as per Title 35 Pennsylvania Emergency Management laws and after the Declaration of Emergency has been adopted by Council.

3.05 EMERGENCY PURCHASING PROCEDURE DURING NORMAL WORK HOURS:

<u>Responsibility</u>	<u>Action</u>
Department, division, office or agency representative	1. If an emergency occurs during normal working hours, the department, division, office or agency receives permission from the Managing Director to request the purchasing coordinator to order the materials and/or services necessary. The department, division, office or agency may suggest a vendor with whom he/she is familiar and considers reliable.
Purchasing Coordinator	2. The purchasing coordinator, if time permits, will contact vendors and receive price quotes.

	<p>3. The purchasing coordinator obtains the price for each item, the total amount, the date, and location of delivery. The purchasing coordinator verbally places the order with the vendor.</p> <p>4. The purchasing coordinator informs the vendor that a confirming purchase order will follow and that the vendor should send the invoice to accounts payable once the purchase order is received.</p> <p>5. The purchasing coordinator informs the department, division, office or agency of the vendor, prices, total amount, etc. in order that a requisition can be prepared.</p>
<p>Department, division, office or agency</p>	<p>6. The department, division, office or agency prepares a confirming emergency requisition for processing immediately upon notification of pertinent data by the purchasing coordinator.</p> <p>7. The department, division, office or agency shall issue a memo referencing the purchase order and describing the nature of the emergency.</p> <p>8. The department, division, office or agency shall not wait for an invoice from the vendor prior to completing a requisition form.</p>

3.06 EMERGENCY PURCHASING PROCEDURE AFTER NORMAL WORK HOURS:

<u>Responsibility</u>	<u>Action</u>
<p>Department, division, office or agency</p>	<p>1. The department, division, office or agency, or if unavailable the on-site supervisor, is responsible for authorizing an order with a vendor if an emergency occurs after normal working hours.</p> <p>2. The department, division, office or agency shall call the purchasing coordinator the following work day with details of the emergency purchase.</p> <p>3. The department, division, office or agency shall complete a confirming emergency requisition.</p> <p>4. The department, division, office or agency's action is</p>

	subject to review by the purchasing coordinator and the Managing Director to determine compliance with this regulation.
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Section 4

Sole Source Purchases

3.01 DEFINITION

Sole source purchases are defined as purchases of supplies, or equipment that meet **all** of the following criteria:

- A. It is the only item that will produce the desired results or possess a unique performance capability and
- B. It is available from only one source and
- C. It is patented or copyrighted.

Professional services are not eligible for sole source purchasing requirements.

4.02 PROCEDURE

Sole source purchases are exempt from competitive requirements upon certification by the Purchasing Coordinator stating the conditions and circumstances necessitating the purchase via a Sole Source Justification Form. This certification shall set forth the purpose and need in addition to why the item is the only one that will produce the desired results. The Sole Source Justification Form must be signed by the Managing Director to be deemed "approved".

Sole Source Justification Forms shall expire annually on December 31st. Sole Source contracts shall not be eligible for automatic renewal/extension and must be re-certified by the Purchasing Coordinator before a renewal/extension may occur.

Section 5

Blanket Purchase Orders

5.01 PURPOSE:

The purpose of this issuance is to explain the nature of blanket order purchases and to define the specific procedures for establishing blanket orders, making purchases with blanket orders, and renewing and closing blanket orders.

5.02 APPLICABLE TO:

All departments, divisions, offices or agencies.

5.03 BLANKET ORDER PURCHASE:

1. General. A blanket order purchase is a special type of purchase order issued by the purchasing coordinator and designed to reduce the administrative effort and costs of placing recurrent orders for necessary items or services, such as heating fuel or repairs to office equipment.

Blanket orders normally call for an undetermined quantity of a product to be delivered or a service to be provided on a continuing basis from a single vendor. In some cases, the quantity may be estimated at an agreed upon unit price.

Only one blanket order at a time may be issued to a specific vendor, from a standard account. A single blanket order may however cover one or more types of items or services.

A blanket order may be issued any time during a calendar year, unless otherwise determined by the Director of Administrative Services. Blanket orders will be invalid after December 31st of the year issued.

2. Types of Blanket Orders. Two types of blanket orders exist:

A. Regular Blanket Orders (B) - referred to as merely blanket orders, are established with a vendor for a fixed dollar amount, but do not necessarily indicate the specific items or services to be purchased, their quantity, or unit price. The description is to state generally what is to be purchased, i.e. "various automotive replacement parts such as but not limited to filters, spark plugs, belts." Statements such as "Supplies as may be needed from time to time" are unacceptable

B. Blanket Orders with Price Agreements (BA) - Blanket orders with price agreements are regular blanket orders where the unit price of the items or services are agreed upon with the vendor for a stated period of time, i.e. fuel oil for the year. Items and prices should be clearly stated in the description along with date of quote or contract award and period of agreement.

5.04 PROCEDURES FOR ESTABLISHING BLANKET ORDERS:

The correct procedure to establish a blanket order is defined below. Blanket order requisitions are initiated and forwarded via the City's computer system.

<u>Responsibility</u>	<u>Action</u>
Department, division, office or agency	1. Determine the items or services to be purchased on a recurring basis; Initiates a requisition
Controller	2. Reviews the requisition; determines if sufficient funds are available in specified account. If specified account has insufficient funds, notifies user to request a transfer from another account.
Director of Administrative Services	3. Examines blanket order for budget authorization. If questions arise, contacts the department, division, office or agency for clarification or explanation. If approved, forwards to purchasing.
Purchasing Coordinator	4. Distributes copies to appropriate offices and mails vendor copy.

5.05 PROCEDURES FOR BUYING ITEMS AGAINST A BLANKET ORDER:

Once a blanket order is established, the department, division, office or agency may approve the purchase of items covered by the blanket order.

The correct procedure to buy items against a blanket order is defined below.

<u>Responsibility</u>	<u>Action</u>
Department, division, office or agency	1. Department, division, office or agency approves all blanket order purchases before they are made. Authorized employee must present proper City identification to vendor. Single item purchases over \$500 must be pre-approved by the purchasing coordinator.
Accounts Payable	2. Upon receipt of invoice from vendor, a copy is

	forwarded to the using department, division, office or agency.
Department, division, office or agency	3. Confirms accuracy of invoice, including price and availability of funds. Ensures that purchase order number and code are on the invoice. Obtains signature from the department, division, office or agency and forwards with receiving slip to accounts payable for payment.
Accounts Payable	4. Pays bill from the account used to establish the blanket order. Confirms accuracy of price with that listed on purchase or contained in contract or price agreement with vendor. Reduces blanket order amount accordingly.

5.06 PROCEDURES FOR RENEWING A BLANKET ORDER:

When a purchase is desired against a blanket order and insufficient funds are available from the blanket order, there are two options:

- ◆ **If the purchase is the last one to be made against the blanket order, the department, division, office or agency may request accounts payable to add up to \$1,000 additional funds to cover the last purchase. If more than \$1,000 is required, the department, division, office or agency should issue a separate requisition for the purchase.**
- ◆ If more than \$1,000 is required to make the purchase and additional purchases are desired against a blanket order on a continuing basis, a renewal must be made.

In case of a renewal, the department, division, office or agency completes a new requisition. The procedure, herein, is the same as previously stated for requesting a new blanket order.

5.07 CLOSING A BLANKET ORDER:

A department, division, office or agency may desire to close a blanket order even though funds are still reserved.

To close an existing blanket order the department, division, office or agency contacts either purchasing or accounts payable with instructions to cancel it. Accounts payable removes the reservation and transfers the remaining funds into the same standard account of the department, division, office or agency.

A department, division, office or agency shall not have more than one blanket order with the same vendor, in the same expenditure code, unless one blanket order falls below \$25.

Section 6

Payment for items and services without a purchase order

6.01 PURPOSE:

The purpose of this administrative communication is to:

1. Define the categories of purchases for which payment is authorized by use of the Accounts Payable Approval form.
2. Explain the procedure whereby payment to vendors is authorized by use of the Accounts Payable Approval form.

6.02 APPLICABLE TO:

All departments, divisions, offices or agencies

6.03 CATEGORIES OF PURCHASES MADE NOT REQUIRING A PURCHASE ORDER:

Certain categories of purchases do not require the department, division, office or agency to follow the requisition/purchase order process, and the orders are not placed by the purchasing coordinator as outlined in Administrative Procedure "Requisition and Purchase Order Process".

Categories of purchases that do not require a purchase order are as follows:

- ◆ Arbitration costs
- ◆ Association dues
- ◆ Books and subscriptions
- ◆ Business meeting expenses
- ◆ Charitable contributions
- ◆ Debt service & related fees
- ◆ Insurance
- ◆ Items under one hundred dollars (\$100) that can legitimately be purchased via petty cash
- ◆ Postage

- ◆ Tuition
- ◆ Travel expenses for job related purposes - including meals, lodging and transportation (travel policy must be followed)
- ◆ Utility services (e.g. heat, electricity, phone services regulated by the PUC)
- ◆ Worker's compensation disbursements

Only the expenses and services listed above may be purchased with payment authorized by the Accounts Payable Approval form

6.04 SPECIFIC PROCEDURES FOR PAYMENT WITH AN ACCOUNTS PAYABLE APPROVAL FORM:

1. Authorization to Pay by the Accounts Payable Procedure.

<u>Responsibility</u>	<u>Action</u>
Department, division, office or agency	<p>1. Determines if adequate funds are available in the appropriate account for the expense. The department, division, office or agency shall indicate if multiple payments are to be issued, an estimate of the total expenditure and attach a Progress Payment Report to each Accounts Payable Approval form. The term multiple payments applies to a single large project with progressive payments or small individual projects performed by the same vendor throughout the year.</p> <p>a. If adequate funds are not available in the appropriate account, initiates a budget transfer.</p> <p>2. Determines if items or services may be purchased by the accounts payable process. If so, contacts vendor directly and gives necessary information for purchase.</p> <p>3. Receives goods or services.</p> <p>4. After receiving goods or services and determining them to be satisfactory, completes an accounts payable approval form as an authorization for payment.</p> <p>5. Forwards copy of the accounts payable approval form and vendor invoice to the Director of Administrative Services for authorization.</p>
Director of Administrative Services	6. Reviews accounts payable approval form and if approves, signs accordingly and forwards with the

	<p>invoice to Accounts Payable. Additional signature authorizations as per City policy are applied during this step.</p>
<p>Accounts Payable</p>	<p>7. Audits accounts payable approval form to verify funds are available in the account(s) specified.</p> <p>a. Returns to the department, division, office or agency for transfer if funds are not available in account(s) specified.</p> <p>8. Insures that proper payment is made to vendor.</p> <p>9. Notifies the department, division, office or agency of payment through issuance of monthly report of payments.</p> <p>10. Forwards original copy plus vendor invoice to accounting for filing.</p>

Section 7

Bid Solicitation, Evaluation, and Award Procedure

7.01 PURPOSE:

The purpose of this issuance is to define and explain the procedures followed in the invitation/solicitation, opening, evaluation and award of bids for purchases of \$35,000 and greater.

7.02 APPLICABLE TO:

The Purchasing office of the City of Reading and all departments, divisions, offices or agencies.

7.03 DEFINITIONS:

1. Bid - the formal offering of a price by a vendor for a specific construction project, commodity or product costing \$35,000.00 and higher and requiring bid surety. Bids shall be issued for professional services costing under \$35,000.
2. Bid Solicitation - a type of vendor solicitation used that requires the City to advertise for equipment, supplies and services desired and requires vendors to submit sealed bids.
3. Invitation to Bid - a document prepared by purchasing and sent to bidders for the purpose of soliciting bids on goods and services.
4. Mailing List - a current list of vendors offering supplies, equipment and services maintained by purchasing.
5. Public Work of the City - includes any service provided by the City on an ongoing basis for the welfare and protection of property and persons within its political bounds.
6. Responsible Bidder - a type of vendor that possesses at least, but not limited to the following - adequate production facilities, sound financial standing and a sufficient experience in the business of producing and/or supplying goods or services.
7. Responsive Bidder - a type of vendor that complies with all specifications put forth by the invitation to bid.
8. Sole Source Supplier - a supplier who is the only vendor able to furnish a certain item that is copyrighted or patented, excluding any professional services.
9. Specifications - requirements and/or instructions that must be properly addressed and followed by bidders.

10. Vendor - a supplier of goods or services.

11. Verbal Solicitation - a type of vendor solicitation which involves an oral price statement from a vendor to the purchasing coordinator for a particular commodity or service.

12. Written Vendor Solicitation - a type of vendor solicitation that requires a written price quotation from the vendor to the purchasing coordinator.

7.04 GENERAL POLICY:

1. Central purchasing authority and responsibility in the City rests with the purchasing coordinator and the purchasing office.

2. The bidding process is a public process that is subject to public scrutiny and review. All purchasing procedures and regulations shall be written and made available for public review.

3. Any deviation from normal operating practices shall require proper documentation and approval by the Managing Director.

4. Projects or contracts which are federally funded must comply with provisions set forth by the United States Department of Labor, the United States Department of Housing and Urban Development, and the Office of Federal Contract Compliance Programs.

5. The Department of Community Development is responsible for monitoring contracts involving federal funds, including labor compliance.

7.05 PURCHASES REQUIRING BID SOLICITATION

1. All purchases of \$35,000 and up require bid solicitations except those listed below:

A. Public utility service under tariffs on file with the Pennsylvania Public Utility Commission.

B. Any items purchased through Federal or City programs that have different bidding requirements mandated by a grant program.

C. Purchases made through intergovernmental cooperation as governed by 1972, P.L.762, No.180:53 P.S.481 as amended and Act 31 of 1971 the City's cooperative purchasing program, a City law of general application.

2. Bid solicitations or RFP's are not mandatory for the items listed in 7.05.1 (above); however, requests by departments, divisions, offices or agencies to bypass the bid solicitation or RFP procedure must have valid justification. All such requests shall be in writing and receive approval by the Managing Director on a case by case basis.

7.06 MAILING LIST:

1. General. The bidders list is a current list of suppliers of various categories of commodities. The purchasing coordinator shall develop and maintain the mailing list.
2. Membership. The mailing list consists of:
 - ◆ Vendors with whom there has been a satisfactory, past relationship.
 - ◆ Vendors added by the purchasing coordinator as a result of research in trade journals, other documents or by consultation with user departments.
 - ◆ **Vendors who contact purchasing in response to newspaper advertisements or in anticipation of the City's future needs.**
 - ◆ Vendors who have never provided goods or services to the City and who request to be added to the City's mailing list, may be added on a probationary basis.
 - ◆ Vendor that has proven to be acceptable either through a positive experience with the City or through acceptable reference checks.

The purchasing coordinator will review and update each commodity group at least once every two (2) calendar years.

3. Removal. Vendor files shall be located in purchasing. It is the responsibility of the department, division, office or agency to notify purchasing by memorandum of any supplier that does not act in a responsible manner.

A bidder may be removed from the mailing list when:

- ◆ There are three (3) or more consecutive no responses to a request for quotation, within a one (1) year period.
- ◆ There is failure to submit a bid for an annual contract for two (2) consecutive years.
- ◆ Consistent inability to meet specifications and delivery dates.
- ◆ General failure to keep commitments.
- ◆ Consistent complaints by users about the quality of the product or service.

Evidence of such failures of performance shall be documented by the department, division, office or agency and forwarded to the purchasing coordinator and the Director of Administrative Services for review. If the Director of Administrative Services determines that removal from the list is justified, the vendor shall be notified in writing explaining the reasons for removal.

4. Reinstatement. A vendor can be reinstated to the mailing list upon receipt of a letter of application that explains their interest in City purchasing if the reason for removal was the vendor's failure to reply to the Invitation to Bid.

If the vendor was removed for inability to meet specification, meet delivery dates or for offering a poor quality item, the vendor must take steps to show the purchasing coordinator that the problem has been or is being corrected. The purchasing coordinator will file the documentation submitted by the vendor in the appropriate vendor file and if acceptable will reinstate the vendor to the mailing list.

7.07 SOLICITATION PROCEDURE.

1. Product or Service Determination. The department, division, office or agency determines the need for a product or service and is responsible for budgeting the item. Purchasing can assist in deciding upon a reasonable figure for the particular item.

2. Authorization. A memo requesting the purchasing coordinator to advertise for bids for a specific item or service shall be initiated by the department, division, office or agency and approved by the Managing Director and Director of Administrative Services.

3. Requisition. The department, division, office or agency will initiate a requisition.

7.08 PREPARING SPECIFICATIONS. The specifications that are included in the Invitation to Bid are prepared by the department, division, office or agency, with guidance from the purchasing office. Specifications are required in all bid solicitation situations, and optional based upon the need in all other cases as determined by the purchasing office. The City strongly discourages restrictive specifications that can favor certain vendors.

1. When the department, division, office or agency decides to prepare the specifications, the department, division, office or agency should contact various suppliers of the product or service and request manufacturer's specifications. The purchasing office can provide guidance in this part of the procedure.

All department, division, office or agency should be wary of salespersons who may attempt to influence how the City's specifications are drafted. The department, division, office or agency should be aware that the City benefits the most when there is good competition among numerous vendors.

2. The department, division, office or agency reviews all the manufacturer's specifications and prepares the City specifications so that as many suppliers as possible will be able to meet the requirements without sacrificing quality. The specifications should include all essential requirements to insure that the item meets the department, division, office or agency's needs, but simultaneously containing only those features that are necessary for an item's intended use.

3. The department, division, office or agency attaches the drafted City specification to

the manufacturers' specifications used, and forwards to the purchasing office.

4. Purchasing will review the drafted specifications to assure that as many vendors as possible can successfully meet the requirements and respond to the Invitation to Bid. If the purchasing coordinator feels that the specifications as drafted will not support competition, necessary changes will be made in coordination with the department, division, office or agency. If the purchasing coordinator and the department, division, office or agency cannot agree on a common ground, they will meet with the Director of Administrative Services to make the final determination of how the specifications will read.

5. The purchasing office may, with the cooperation of the department, division, office or agency, organize a pre-bid conference with potential vendors for the purpose of reviewing draft specifications for completeness, accuracy and fairness.

7.09 INVITATION TO BID

1. General. The Invitation to Bid which is issued by purchasing establishes the criteria for determining the responsive bidder by outlining the procedure bidders must follow to be considered for the bid award. The Invitation to Bid or a copy of the newspaper ad or internet posting outlining the bid solicitation may be sent to vendors in that particular category of the mailing list.

2. Procedural requirements included in the bid packet outline standard instructions to be followed for bidding, delivery and, completion schedules, payment, invoicing procedures, and conditions for inspections and acceptance of purchased items.

3. Notice Inviting Bids.

A. Public notice shall be given for all bid solicitations. Acceptable methods of public notice include: publishing an advertisement two times, each publication on a different day, in at least one newspaper of general publication, posting of the bid solicitation to the City website, publication in a specialty-interest publication, or other methods as may be deemed acceptable by the purchasing coordinator. The bids shall not be opened until at least ten days have elapsed after the first advertisement.

B. City Web Site. All bid solicitations published on the Purchasing section of the City web site shall include at least:

- ◆ A description of the equipment, supplies, products or services to be purchased.
- ◆ Where the bid form and specifications can be obtained.
- ◆ The deadline and location for submission.
- ◆ Reference to prevailing wages if applicable.

C. Mailing List. The purchasing coordinator shall maintain a mailing list of current suppliers. Vendors on the mailing list will be directed to the City website, where they can find relevant information on open bids.

4. Bid Security. Purchasing shall require a bid security that serves the purpose of protecting the interest of the City, unless otherwise determined by the Managing Director at the time of bid publication. The bid security will be required equally of all bidders.

A. Security Amount. All bids shall be accompanied by cash, certified check, a bond with corporate surety or at the City's option, an irrevocable letter of credit in the amount of ten percent (10%) of the bid.

7.10 BID RECEIPT, OPENING AND TABULATION.

1. Receipt. All bids shall be submitted in a sealed envelope, marked with the bid number and delivered to the Purchasing Office by the date and time of the bid opening or the deadline as advertised.

Upon receipt, the bid envelope shall be stamped with the date and time received and placed in a locked filing cabinet until the time of the opening. All bids shall remain sealed until the time of the bid opening.

2. Opening. All bids submitted in response to the City's Invitation to Bid shall be opened by the purchasing coordinator and witnessed by the City Clerk or their designees at the time and date advertised in the legal notice. The bid opening shall be held in a public forum and may be attended by the news media, concerned citizens and interested vendors.

3. Tabulation. All bids shall be tabulated. The tabulation becomes a permanent record of all bids received, showing the bidder's name, items and prices. Bids considered invalid, i.e. submitted without security, will be listed on the schedule as such.

The tabulation shall be filed in the purchasing office for seven (7) years, or as may be specified in the Records Retention Schedule, to be used as evidence of competitive practices and serve as a source of information if questions do arise.

7.11 BID EVALUATION AND AWARD:

1. No Bids. If a situation occurs that no bids are received by Purchasing, the purchasing coordinator shall:

A. Review the specifications to insure that they are not overly restrictive or unrealistic and after being duly authorized, re-issue the Invitation to Bid with or without adjusted specifications.

B. If again bids are not received, the City may enter into a contract for purchase of the item within forty-five (45) days of the second advertisement thereof, in accordance with PA Act 1979-78.

Regardless of action, the purchasing coordinator shall document in writing the steps taken and reasons for the action.

2. Other Situations.

A. Late Bids. Late bids, regardless of the circumstances, are unacceptable.

B. Tie Bids. Only on rare occasions are bids received from responsible vendors for the same amount or unit price, with quality and service being equal. In such instances, the contract shall be made by drawing lots in a public forum.

This tie bid procedure will only be followed when the tie bidders are all responsible bidders and equal in quality and service, as well as price.

C. Alternate Bids. By City policy, alternate bids are not encouraged. As a rule, if a bid is not responsive to the Invitation to Bid, it should be rejected. However, if the alternate bid reflects the only product or service the firm has to offer and if the bid is advantageous to the City through lower cost for a quality item, the purchasing coordinator shall consult with the appropriate department, division, office or agency and the purchasing committee prior to making the final recommendation. In all cases, the purchasing coordinator shall:

Document the decision on accepting or rejecting an alternate bid with reasons for the decision.

Be sure that all respondents to an Invitation to Bid have received opportunities equal to that of the alternate bidder.

D. Adjustments Due to Errors. If a mistake is discovered after opening, only those deviations that do not give a bidder an unfair advantage over his/her competitors will be permitted. These include, but are not limited to multiplication errors in completing totals from unit prices (the unit price will prevail) and an obvious misplacement of decimal points.

E. Withdrawal of Bids. If the bidder discovers an error after submittal, but prior to opening, he/she will be permitted to make formal changes or withdraw the bid before the bid opening without revealing the bid amount.

A new sealed bid should be delivered in person or by mail, prior to the deadline advertised in the legal notice.

A bidder to a construction contract may withdraw a bid from consideration after the bid opening without forfeiture of the ten percent (10%) bid surety, if the bid was submitted in good faith and the bidder submits credible evidence that a clerical mistake or an unintentional omission of a substantial quantity of work, labor, material or services was made in direct compilation of the bid and the reason for the price being substantially lower, as opposed to a judgment error.

3. Rejection of Bids. City Council or the Managing Director whichever applies, shall have the authority to reject a single bid or all bids for reasons including but not limited to the following circumstances:

- ◆ Unreasonably high bid prices
- ◆ Late arrival
- ◆ Alternate bids
- ◆ Error corrections that would give an unfair advantage
- ◆ Suspicion of collusion among bidders
- ◆ Substantial non-conformance with bid specifications
- ◆ Failure of the bid to meet the criterion of being the lowest responsive and responsible bidder

4. Bid Award.

A. It is the policy of the City to make awards to the vendor who meets the specifications for the items or services to be purchased at the lowest cost. Factors such as delivery time, quality, operating and maintenance costs, service, etc., as well as initial price, should be taken into consideration in determining the lowest cost vendor.

B. The department, division, office or agency shall review all bids and make a recommendation to the purchasing manager by completing the "Recommendation to Award Contract" form.

If the purchasing coordinator has technical or operational concerns regarding the recommendation of the head of the department, division, office or agency, the award will be referred to a purchasing committee, comprised of the Managing Director, the Director of Administrative Services, and the City Solicitor or his designee, for determination. In the case where the Administrative Services Department or Law Department has issued the bid, the City Clerk shall serve on the committee.

C. The Director of Administrative Services shall review the recommendation to ensure an award is compatible with the budget.

D. The Managing Director shall approve all recommendations.

E. The Managing Director shall have final approval of contracts below \$35,000.

F. City Council shall award or reject all contracts exceeding \$34,999.99.

G. A purchase order shall be initiated after the contract award; however, it shall not be issued until the contract documents have been finalized.

H. The successful vendor after receiving the contract documents has ten (10) working days to sign and return with the necessary bonds.

I. If the selected vendor fails to deliver a bond or items bid within the time limits specified, the purchasing coordinator may choose to recommend rescinding the award and re-advertise for

bids. In such event, the delinquent bidder shall be responsible for the costs of re-bidding and the amount of any increase in the contract price thereby resulting. The purchasing coordinator shall properly document the action, the reasons for the action and retain the vendor bid surety not as a penalty, but as liquidated damages for inability to comply with the contractual agreement.

J. Local Preference: For all competitive solicitations in which objective factors are used to numerically evaluate the responses from vendors by the selection committee, and price is one of several of the criteria for award among otherwise qualified vendors, where a non-local business is the highest ranked proposer and the ranking of a local proposer is within ten (10%) of the ranking obtained by the non-local proposer, the highest ranked local proposer (within 10%) may be considered for negotiations with the City. If the City determines that it is, in its sole and exclusive discretion, unable to negotiate an acceptable contract, then it shall proceed to negotiate with the next highest ranked proposer, whether local or non-local.

The City has the sole discretion in determining whether a business meets the criteria to qualify for a local business preference and reserves the right to revoke this preference at any time if the City determines the business no longer meets the following criteria:

1. The principal place of business is located in the City of Reading; and
2. The business has held a valid City business license for at least one (1) year prior to the date of application; and
3. The business maintains its status as a local bidder throughout the term of the contract; if it fails to do so, the City, in its sole discretion, may terminate the contract.

Section 8

Purchasing of Professional Services

8.01 PURPOSE:

The purpose of this regulation is to outline the process involved for preparing specifications, letting of Request For Proposals (RFP's), awarding contracts and payment of bills for professional services.

8.02 APPLICABLE TO:

All departments, divisions, offices or agencies.

8.03 POLICY:

1. For the purpose of this regulation the term "professional" is defined as those persons or firms marketing services requiring advanced academic or technical training skills. Examples of professional services include work done by the following contractors but is not necessarily limited to these services:

- ◆ Accountants
- ◆ Architects
- ◆ Attorneys
- ◆ Bond Underwriters
- ◆ Engineers
- ◆ Insurance Consultants, Agents, and/or Brokers
- ◆ Investment Advisors
- ◆ Physicians

2. Professional service contracts are not to be confused with standard contracts which seek a price or costs for particular work detailed in specifications. Professional contracts seek expertise through an RFP and pricing or cost may not be of "primary" importance.

3. A professional contract, while it is based upon work performed in response to task specifications and the need for a finished product as outlined by the City and agreed to by a contractor, it is one that by its very nature cannot be awarded solely based upon the selection of the lowest bidder.

4. Factors other than price alone must be carefully weighed in the review of proposals and the award of such contracts. These factors include the professional qualifications/certifications, special skills, experience, and familiarity of the contractor with the work requested, all of which have impacts on the quality of the product/service

to be delivered.

8.04 PREPARING REQUESTS FOR PROPOSALS (RFP'S) FOR CONTRACTS GREATER THAN \$35,000.

1. When to prepare an RFP.

A. When it is estimated that the cost of a purchase of professional services shall meet or exceed \$35,000, the RFP process must be initiated and the vendor must be retained through a written contract. Competitive proposals increase the ability to fully evaluate both the benefit and costs of the services being sought.

B. Notwithstanding any other provisions to the contrary if the Managing Director so determines, no RFP shall be required for an employee engaged in providing professional services to the City who terminates employment with the City and shall then be engaged as an independent contractor. In addition, no RFP shall be required for an independent contractor whose engagement terminates, if the Managing Director desires to continue the engagement by the City.

C. For all contracts expected to exceed \$34,999.99 and for all contracts that are multi-phased (e.g., feasibility study and design, multiple contract renewals/extensions within a one-year period) department, division, office, agency or person designated by the Managing Director shall prepare a RFP specifically for the extent of the work effort that can be defined at that particular time. The RFP should solicit information pertaining to the contractor's qualifications and costs (including appropriate hourly rates, etc.) for as many phases as appropriate. Costs and qualification information should then be utilized to select the contractor. For any subsequent phases of the contract that have not been specifically defined in the initial RFP, a new RFP should be drafted and circulated to secure competitive proposals from interested contractors.

2 How to write an RFP:

The Request For Proposal shall clearly describe the desired services and may include, but not be limited to, the following information:

- ◆ General background information pertinent to the requested services.
- ◆ Nature and scope of requested services including minimum tasks and activities to be performed together with prescribed completion schedule.
- ◆ Methodology and technical approach to be used in accomplishing the requested work.

- ◆ Description of reports required.
- ◆ Documentation of qualifications and experience in similar work and resumes of staff members to be assigned to the engagement.
- ◆ Compensation information including detailed cost information itemizing hours and rates of each class of staff to be utilized, and out-of-pocket expenses such as travel, telephone, publication and duplication.
- ◆ Estimated utilization of City resources necessary to complete the engagements.
- ◆ Information as to the City's evaluation and selection process.
- ◆ Minority Business Enterprise (MBE)/Woman Business Enterprise (WBE) participation.

8.05 CONTRACTS LESS THAN \$35,000:

1. The department, division, office, agency or person designated by Managing Director to handle the assignment, shall request written proposals from at least three (3) firms. Proposals shall include the fee in the form of a unit cost and the total maximum cost to be charged. After analysis, a recommendation shall be presented to the purchasing coordinator, Director of Administrative Services and Managing Director for final approval.
2. Upon written request, unsuccessful firms shall be given a written explanation as to the reasons for the selection.
3. The department, division, office or agency should take precautions to project the total cost of professional service contracts that are multi-phased. An RFP must be prepared for those multi-phased contracts when the total cost of which could exceed \$34,999.99.
4. Once final approval for a contract less than \$35,000 has been granted by the Administrative Services Director and the Managing Director, the department, division, office, agency or person designated by the Managing Director to handle the assignment shall meet with a representative from the City Solicitor's office to draft the required contracts.
5. Multiple contracts valued below \$35,000 which occur during a single year and provide for the same or a substantially similar service; or for which services are provided by the same individual or vendor shall be considered to be multi-phased. These contracts shall be subject to the approval requirements of a contract that exceeds \$34,999.99.
6. No contract valued at less than \$35,000 shall be eligible for payment by the City without the contract having been signed by the City Solicitor.
7. The City Solicitor shall provide final review for form and content and signature on the contract. Contracts without Solicitor signature will not be eligible for payment.

8.06 THE PURCHASING COORDINATOR'S RESPONSIBILITY:

For purposes of consistency, the purchasing coordinator shall be appointed to all committees designated to prepare RFP's, review all documents prior to issuance and evaluate submissions.

The Administrative Services Director shall authorize the advertising for professional services by the purchasing coordinator, who will advertise in local newspapers of general circulation, regional metropolitan newspapers, trade journals, if applicable, and the City website.

1. The advertisement shall give notice that an RFP is available for review by interested firms. Basic information describing the requested services, where the document can be obtained and the deadline and location for submission shall be included.
2. At the discretion of the purchasing coordinator or the department, division, office or agency a mandatory pre-proposal conference may be held with all interested firms to clarify any questions.

8.07 SELECTION OF PROFESSIONAL SERVICE CONTRACTS GREATER THAN \$34,999.99

1. The proposals of those firms responding to an RFP are reviewed by a selection committee designated by the Managing Director or his designee.

A. The selection committee shall consist of the purchasing coordinator (non-voting member), the City Solicitor, three designees of the department, division, office or agency, and the designee of the Administrative Services Director. All committee members must sign and return, to the purchasing coordinator, the Confidentiality Statement and No Conflict of Interest Statement prior to receiving any non-public information regarding the applicable RFP.

B. The selection process shall be based on the objective criteria contained in the RFP (Section 8.04.2) and not on the lowest bid.

Examples of the evaluation criteria include: size and experience of the firm on similar projects, client references, demonstrable understanding of the requested work, the ability and/or commitment to meet the prescribed completion schedule, and the cost estimates.

C. The recommendation of the selection committee shall be to the firm with highest total points.

D. The selection committee has the responsibility to negotiate the most favorable cost, terms and conditions to the City of Reading. The negotiating process may involve one or more RFP responses, and may continue until the actual award of the contract.

E. A meeting with the purchasing coordinator and the representative of the Solicitor's office

will be available for a firm who is dissatisfied after not being recommended for award of the contract.

2. The selection committee shall submit a written report on the process and its recommendation, to be reviewed with the Administrative Services Director.

3. Prior to formal acceptance, the RFP and the proposal shall be submitted to the Solicitor's staff for review.

4. The Administrative Services Director and the selection committee will prepare a recommendation for the Managing Director to present to City Council for final approval where such approval is required by the Charter, by the Administrative Code and/or the purchasing policies.

5. The Administrative Services Director shall advise the purchasing coordinator to formally notify the successful firm.

6. No contract valued at greater than \$34,999.99 shall be eligible for payment by the City unless the contract is approved by Council and signed by the Mayor and City Solicitor.

7. The City Solicitor shall provide final review of the contract for form and content. The City Solicitor's signature shall only be affixed to the contract after this review is complete. Contracts lacking Solicitor approval will not be eligible for payments.

8.08 RENEWAL OF PROFESSIONAL SERVICE CONTRACTS:

The City shall have the option to renew a professional services contract for one (1) year beyond the established contract period, based upon a continuation of the current contract price or the re-negotiation of a new price. This does not preclude the City from requesting a term contract with multiple 1-year renewal periods, as long as the total contract term does not exceed five (5) years. However, if a contract does not originate with multiple 1-year renewal periods, it shall only be eligible for a one (1) year extension at the current or re-negotiated price.

Section 9

Non-Collusion and Bid Rigging

- 9.01 **DEFINITION OF BID-RIGGING** - The concerted activity of two or more persons to influence the winning bidder of a contract.
- 9.02 **PROHIBITED ACTIVITIES** - It is unlawful for any person to conspire, collude, or combine with another in order to commit or attempt to commit bid-rigging. Unlawful bid-rigging includes but is not limited to:
- A. Agreeing to sell items or services at the same price.
 - B. Agreeing to submit identical bids.
 - C. Agreeing to rotate bids.
 - D. Agreeing to share profits with a contractor who does not submit the low bid.
 - E. Submitting prearranged bids, agreed-upon higher or lower bids or other complementary bids.
 - F. Agreeing to set up territories to restrict competition.
 - G. Agreeing not to submit bids.
- 9.03 **SIMULTANEOUS BIDS** - It is *not* unlawful for the same person to simultaneously submit bids for the same work or a portion thereof, as a proposed prime contractor and subcontractor.
- 9.04 **NON-COLLUSION AFFIDAVITS** - All Bid's and RFP's should include the requirement for bidders and vendors to provide a non-collusion affidavit with their bids/proposals. A form of a non-collusion affidavit is found in the Appendix of Forms. The non-collusion affidavit must state whether or not the person has been convicted or found liable for any act prohibited by federal or state law in any jurisdiction involving conspiracy or collusion with respect to bidding on any public contract within the last five years. The non-collusion affidavit should provide that the person's statement on the affidavit that he has been convicted or found liable for any act prohibited by federal or state law in any jurisdiction involving conspiracy or collusion with respect to bidding on any public contract within the last five years does not prohibit the City from accepting a bid from or awarding a contract to that person but it may be grounds for:
- A. Rejection of the bid/proposal on the basis of lack of responsibility; and/or
 - B. Suspension or disbarment
- 9.05 **INVESTIGATION.** If suspicion exists that a bidder may have engaged in bid-rigging or collusion activity, the purchasing coordinator will refer the matter to the City Solicitor who may, if the Solicitor also finds suspicious facts, forward the matter to the Office of the Berks County District Attorney.

Section 10

Allowable Contract Types

10.01 GENERAL.

1. The selection of an appropriate type of contract and contract costs are related and should be considered together. The objective is to negotiate a contract type and price that includes reasonable contractor risk and provides the contractor with the greatest incentive for efficient and economical performance. When there is a need for using other than a firm fixed-price contract, it must be determined, before award of the contract, whether the contractor's accounting system will permit timely development of all necessary cost data in the form required by the specific contract type contemplated and is adequate to allocate costs in accordance with generally accepted accounting principles. This may be particularly critical where a cost-reimbursement type of contract is being considered and all current or past experience with the contractor has been on a fixed-price basis.

A contract may be one of the following types or a combination of the types identified below. **COST-PLUS-A-PERCENTAGE-OF-COST CONTRACTS ARE PROHIBITED.**

10.02 FIRM, FIXED-PRICE CONTRACTS. Firm, fixed-price contracts are of several types designed to facilitate proper pricing under varying circumstances.

1. **Established-Price Types.** The established-price type of contract provides for a firm price or, under appropriate circumstances, may provide for an adjustable price for the supplies, services, or construction which are being procured. In providing for an adjustable price, the contract may fix a maximum or minimum price. Unless otherwise provided in the contract, any such maximum or minimum price is subject to adjustment only if required by the operation of any contract clause which provided for equitable adjustment, escalation, or other revision of the contract price upon the occurrence of an event or contingency. Established-price contract types are generally created through line item specific bid pricing or established catalog bid pricing.

2. **Basic Established-Price Contract.** The basic established-price contract provides for a price which is not subject to an adjustment by reason of the cost experience of the contractor in the performance of the contract. This type of contract places maximum risk upon the contractor. Because the contractor assumes full responsibility, in the form of profits or losses, for all costs under or over the firm fixed-price, he or she has a maximum profit incentive for effective cost control and contract performance. Use of the basic established-price contract is suitable for use in procurements when reasonably definite work statements, specifications, and performance requirements are available and whenever fair and reasonable costs can be established at the outset.

3. **Established-Price Contract With Escalation.** The established-price contract with escalation provides for the upward and downward revision of the stated contract price upon the occurrence of certain contingencies which are specifically defined in the contract. The risks in a basic established-price contract are reduced by the inclusion of escalation provisions in which the parties agree to revise the stated price upon the happening of a prescribed contingency. Where escalation is agreed upon, upward adjustments shall be limited to the establishment of a reasonable ceiling, and provisions will be included for downward adjustments in those instances where the prices or rates shall fall below the base levels provided in the contract. The escalation generally covers the increase in labor costs due to an increase in the minimum wage or union contract negotiations, or other costs such as fuel, which are beyond the direct control of the contractor.

4. **Established-Price Plus Incentive Contract.** The established-price plus incentive contract is a firm, fixed-price type of contract with provisions for adjustment of profit and establishment of the final contract price by a formula based on the relationship which final negotiated total cost bears to total target costs. Established-price plus incentive contracts are appropriate when the supplies, services, or construction being procured are of such a nature that assumption of a degree of cost responsibility by the contractor is likely to provide him with a positive profit incentive for effective cost control and contract performance.

5. **Prospective Price Redetermination at a Stated Time or Times During Performance Contract.** This type of contract provides for an established-price for an initial period of contract performance and

for prospective price redetermination either upward or downward at a stated time or times during the performance of the contract. This type of contract is appropriate in the procurement of supplies, services, or construction where it is possible to negotiate fair and reasonable established prices for an initial period but not for subsequent periods of contract performance.

This type of contract should not be used unless:

1. It has been established through negotiations that a basic established-price contract does not fulfill the requirements established by the conditions surrounding the procurement.
2. The contractor's accounting system is adequate for price redetermination purposes.
3. The prospective pricing period can be made to conform with the operations of the contractor's accounting system.
4. Reasonable assurance exists that price redetermination action will be taken promptly at the time or times specified.
5. It has been approved by the Administrative Services Director.

10.03

TIME AND MATERIALS CONTRACT.

The time and materials contract provides for the procurement of supplies, services, or construction on the basis of:

1. Direct labor hours at specified fixed hourly rates (which rates include direct and indirect labor, overhead, and profit).
2. Material at cost which could include handling and administrative expenses. This type of contract does not afford the contractor any positive profit incentive to control the cost of the materials or to manage his labor force effectively. The time and materials contract is used only where it is not possible at the time of placing the contract to estimate the extent or duration of the work or to anticipate costs with any reasonable degree of confidence. This type of contract is usually used for procurement of repairs, maintenance or overhaul work, and work to be performed in emergency situations. If this type of contract is used, the contract must show a ceiling price which the contractor exceeds at his own risk. For all agreed upon work not completed at the ceiling price, the Contractor must complete the agreed upon work at their own expense.
3. Labor-Hour Contract. The labor-hour type of contract is a variant of the time and materials type of contract differing only in that materials are not supplied by the contractor.
4. Unit Price Contract. The unit prices for the supplies, services, or construction to be provided are established in the contract with an estimated total amount. The contractor is paid in accordance with the unit price.
5. No-Fee Contract. A contract where supplies, services, or construction are provided at no cost to the City.

10.04 COST-REIMBURSEMENT CONTRACT.

The cost-reimbursement type of contract provides for payment to the contractor of allowable costs incurred in the performance of the contract to the extent prescribed in the contract. This type of contract establishes an estimate of total cost for the purpose of obligation of funds and a ceiling which the contractor may not exceed (except at his own risk) without prior approval and subsequent amendment of the contract. The cost-reimbursement contract is suitable for use only when the uncertainties involved in contract performance are of such magnitude that cost of performance cannot be estimated with sufficient reasonableness to permit use of any type of fixed-price contract. In addition, it is essential that the contractor's cost accounting system is adequate for the determination of costs applicable to the contract and appropriate surveillance by agency personnel during performance will give reasonable assurance that inefficient or wasteful methods are not being used.

1. Cost-Sharing Contract. A cost-sharing contract is a cost-reimbursement type contract under which the contractor receives no fee but is reimbursed only for an agreed portion of its allowable costs. A cost-sharing contract is suitable for those procurements which cover research projects which are jointly sponsored by the City and the contractor with benefit to the contractor in lieu of full monetary reimbursement of costs. In consideration of this benefit, the contractor agrees to absorb a portion of the costs of performance. This type of contract is used for jointly sponsored research and development work with nonprofit educational institutions or other nonprofit organizations or other research and development work where the results of the contract may have commercial benefit to the contractor.
2. Cost-Plus-Incentive-Fee Contract. The cost-plus-incentive-fee contract is a cost-reimbursement type contract with provisions for a fee which is adjusted by formula in accordance with the relationship

which total allowable costs bear to target costs. Under this type of contract, there is negotiated initially a target cost, a target fee, a minimum and maximum fee, and a fee adjustment formula. After performance of the contract, the fee payable to the contractor is determined in accordance with the formula. The provision for increase or decrease of fee is designed to provide an incentive for maximum effort on the part of the contractor to manage the contract effectively.

3. **Cost-Plus-A-Fixed-Fee Contract.** The cost-plus-a-fixed-fee contract is a cost reimbursement type of contract which provides for the payment of a fixed fee to the contractor. The fixed fee, once negotiated, does not vary with actual cost, but may be adjusted as a result of any subsequent changes in the work or services to be performed under the contract. Because the fixed fee does not vary in relation to the contractor's ability to control costs, the cost-plus-a-fixed-fee contract provides the contractor with only a minimum incentive for effective management control of costs. This type of contract is usually used for the performance of research or preliminary exploration or study where the level of effort required is unknown. The fixed fee shall not exceed 10 percent of the estimated cost of the contract, exclusive of the fee, as determined at the time of entering into such contract. Payment schedules for reimbursing contractors will be designed to provide the City with a measure of assurance that contractor performs the work or services satisfactorily before complete payment is made.

10.05 **PERFORMANCE BASED CONTRACT.** The performance based contract is one which incorporates an incentive to the contractor to surpass stated performance targets by providing for increases in fee or profit to the extent such targets are surpassed and for decreases to the extent such targets are not met. The incentive feature (providing for increases or decreases, as appropriate) is applied to performance targets rather than performance requirements. The incentive should relate to specific performance areas or milestones which have been very carefully established and specified in the contract. Performance incentives present complex problems in contract administration and should be approached with caution.

Section 11

Bid Protests

- 11.01 **WHO MAY FILE THE PROTEST.** Any bidder, offeror, prospective bidder, prospective offeror, or a prospective contractor who is aggrieved in connection with the solicitation or award of a contract may file a protest. Protests relating to cancellation of invitations for bids or requests for proposals and protests relating to the rejection of all bids or proposals are not permitted.
- 11.02 **TIME FOR FILING.**
1. If a protest is submitted by a prospective bidder or prospective offeror, the protest must be filed before bid opening time or proposal receipt date.
 2. If a protest is filed by a bidder or offeror or a prospective contractor, the protest must be filed within seven days after the protesting bidder or offeror or prospective contractor knew or should have known of the facts giving rise to the protest EXCEPT THAT IN NO EVENT MAY A PROTEST BE FILED LATER THAN SEVEN DAYS AFTER THE DATE THE CONTRACT WAS AWARDED. Date of filing is the date of receipt of protest.
 3. Untimely filed protests must be disregarded by the purchasing coordinator.
- 11.03 **FORM OF PROTEST.**
1. A protest must be in writing and filed with the purchasing coordinator.
 2. A protest must state all grounds upon which the protesting party asserts that the solicitation or award was improper. Issues not raised by the protesting party before the purchasing coordinator are deemed waived and may not be raised on appeal.
 3. The protesting party may submit with the protest any documents or information deemed relevant.
 4. The written protest shall be accompanied by a cashier's check in the amount of five percent (5%) of the contract award amount, or if the amount of the contract cannot be reasonably determined at the time, then in the amount of One Thousand Two Hundred Fifty Dollars (\$1,250.00), made payable to the City of Reading. The purpose of this protest bond shall be to reimburse the City for all administrative costs associated with the appeal process. Failure to submit a protest bond shall be deemed a waiver of the bid protest and is a jurisdictional deficiency in the protest that will forfeit the right of the bidder to maintain the protest.
- 11.04 **NOTICE OF PROTEST.** If award has been made, the purchasing coordinator shall notify the successful bidder or contractor of the protest. If the protest is received before award and substantial issues are raised by the protest, all bidders and offerors who appear to have a substantial and reasonable prospect of winning the award shall be notified and may file their agreement/disagreement with the purchasing office within five days after receipt of notice of protest.
- 11.05 **STAY OF PROCUREMENT.** The purchasing coordinator shall immediately decide upon receipt of the protest whether or not the solicitation or award shall be stayed, or if the protest is timely received after the award, whether the performance of the contract should be suspended. The purchasing office shall not proceed further with the solicitation or with the award of the contract, and shall suspend performance under the contract if awarded, unless the Administrative Services Director makes a written determination that the protest is clearly without merit or that award of the contract without delay is necessary to protect the substantial interests of the City.
- 11.06 **PROCEDURES.**
1. **Purchasing Coordinator Response.** Within 15 days of the receipt of a protest, the purchasing coordinator shall submit a written response to the Administrative Services Director. The response may include any documents or information that the purchasing coordinator deems relevant to the protest.
 2. **Protesting Party Reply.** Within 10 days of the date of the purchasing coordinator response, the protesting party may file a written reply.
 3. **Review.** The Director of Administrative Services or designee shall:
 - A. Review the protest and any response or reply.
 - B. Request and review any additional documents or information deemed necessary to

render a decision.

C. Give the protesting party and the department head reasonable opportunity to review and address any additional documents or information requested.

D. In their sole discretion, conduct a hearing.

E. Within 60 days of the receipt of the protest, issue a written determination stating the reasons for the decision.

F. If additional time is required to investigate the protest, inform the protesting party of the additional time needed to render a determination and obtain the protesting party's consent.

4. "Clearly Without Merit" determinations. If the Administrative Services Director determines, upon receipt, that the protest is clearly without merit and does not stay the procurement, the purchasing coordinator shall immediately issue the decision as required by 11.08, below.

11.07 SETTLEMENT. The Director of Administrative Services, in consultation with the City Solicitor, has the authority to settle and resolve bid protests.

11.08 DECISION. The Director of Administrative Services or designee shall promptly, but in no event later than 60 days from the filing of the protest, issue a written decision. The decision shall:

1. State the reasons for the decision.

2. If the protest is denied, inform the protesting party of its right to file an appeal in Berks County Court within 15 days of the mailing date of the decision.

3. If it is determined that the solicitation or award was contrary to law, enter an appropriate order under 11.09. or 11.10., below.

4. The purchasing coordinator shall send a copy of the decision to the protesting party and any other person determined by the Administrative Services Director to be affected by the decision.

11.09 REMEDY BEFORE EXECUTION OF CONTRACT. If, before execution of a contract, it is determined that a solicitation or proposed award of a contract was in violation of law, the purchasing coordinator may do one of the following:

1. Cancel the solicitation;

2. Change the solicitation to comply with law;

3. Reject all bids or proposals or those parts of the bids or proposals which were affected by the violation; or

4. Change or cancel the award to comply with law.

11.10. REMEDIES AFTER EXECUTION OF CONTRACT. If, after the execution of a contract, it is determined that a solicitation or award of a contract was in violation of law:

1. If the contractor did not act fraudulently or in bad faith, the contract may be:

A. Ratified and affirmed provided it is determined by the purchasing agency that doing so is in the best interest of the City.

B. Modified to comply with the law with the consent of all parties.

C. Cancelled and the contractor shall be compensated for the actual expenses reasonably incurred under the contract prior to termination. Such compensation shall not include loss of anticipated profit, loss of use of money, or administrative or overhead costs.

2. If the contractor has acted fraudulently or in bad faith, the contract may be:

A. Declared void.

B. Modified to comply with law with the consent of all parties.

C. Ratified and affirmed, provided it is determined by the purchasing coordinator, if that action is in the best interests of the City and without prejudice to the right of the City to damages, as may be appropriate.

Section 12

Petty Cash Funds

12.01 PURPOSE:

The purpose of this regulation is to establish the policy for the use of petty cash funds and to establish the procedure for replenishing these funds.

12.02 APPLICABLE TO:

All departments, divisions, offices or agencies.

12.03 GENERAL POLICY:

1. Petty cash funds exist to permit departments, divisions, offices or agencies to reimburse employees for incidental purchases. Petty cash is strictly for the purpose of reimbursing employees for out-of-pocket business expenses. There will be no petty cash advances.

2. Petty cash funds shall not be used to pay invoices. All invoices shall be paid through the accounts payable system.

3. A petty cash purchase shall not exceed one hundred (\$100) dollars. At no time shall expenditures be fragmented to stay within the one hundred (\$100) dollar limit.

Departments, divisions, offices or agencies approving petty cash expenditures shall keep in mind that the City may pay higher prices by purchasing items through a number of small petty cash expenditures, rather than through a single bulk purchase via purchasing.

4. Items such as office supplies that are available from or through the purchasing office shall not at any time be purchased with petty cash funds.

Petty cash shall not be used as a substitute to the Emergency Purchase Procedure.

5. All petty cash vouchers must have valid vendor receipts attached for the exact amount to be reimbursed. For mileage reimbursement, the travel expense report form must be used. Departments, divisions, offices or agencies shall not approve petty cash vouchers without proper receipts and shall inform employees that reimbursement will not occur if the proper procedure is not followed. Employees should be aware that the City is exempt from Pennsylvania sales tax, and that such tax should not be paid.

6. A brief statement justifying the petty cash expenditure shall be included on the petty cash voucher or petty cash ledger form. Petty cash expenditures shall be charged to the correct budget account number.

12.04 PETTY CASH FUNDS:

The Director of Administrative Services shall authorize the location and amount of petty cash funds. The following departments, divisions, offices and agencies maintain petty cash funds for the personnel in their offices:

- ◆ Treasurer's office for all City Hall departments, divisions, offices or agencies unless listed below:
 - Public Works
 - Police
 - Sewage Treatment

12.05 RESPONSIBILITY FOR PETTY CASH FUNDS:

A specific employee, designated as custodian, shall be assigned to each petty cash fund. The custodian is responsible for the accurate accounting and control of the department, division, office or agency's fund, including following the procedure to replenish the petty cash funds.

The City Auditor shall be responsible for the annual review of petty cash purchases and, when appropriate, make recommendations to the department, division, office or agency as to what purchases should be directed through the purchasing office.

12.06 PETTY CASH FUND PROCEDURES:

1. Reimbursement of Employee. The employee shall make a petty cash purchase with his/her own money. The employee shall be reimbursed the same day or the following work day by following the proper petty cash procedure:
 - A. The employee shall first obtain permission from her/his immediate supervisor to purchase the required items or services. Any questionable petty cash expenditures shall be cleared with the department, division, office or agency before making the purchase.
 - B. The employee shall purchase the items or services from a vendor at a reasonable price. The purchasing office may assist in selecting a vendor.
 - C. For those departments, divisions, offices or agencies that maintain a petty cash fund, the employee shall submit his/her receipt, which has been signed by the immediate supervisor to the custodian for reimbursement from the petty cash fund.
 - D. For those departments, divisions, offices or agencies that do not maintain a petty cash fund, the signed receipt shall be presented to the Administrative Services Director's office where a petty cash voucher will be prepared in duplicate and the proper code assigned.

- E. The Administrative Services Director's office shall retain the duplicate copy of the voucher for audit purposes. The employee shall submit the original with the attached receipt to the City Treasurer for reimbursement.
- F. The employee signature on the voucher acknowledges only receipt of the money, not responsibility for the purchase.
- G. The employee shall submit the original with the necessary receipt attached to the custodian for reimbursement.

2. Replenishing the Petty Cash Fund Other than City Treasurer. The custodian of the petty cash fund, shall replenish the fund as needed through the Accounts Payable system.

- A. The custodian shall verify that the account being charged for the petty cash funds has a sufficient balance.
- B. The custodian shall complete an Authorization to Reimburse Petty Cash Fund form.
- C. The custodian shall keep the duplicate copy, attach all petty cash vouchers with receipts to the original, and submit to the City Accountant with a completed Accounts Payable Approval form.
- D. The City accountant shall confirm accuracy of information, verify that there are sufficient funds in account, and submit to Accounts Payable for processing.
- E. Accounting shall retain and file the original copy of the reimbursement form, the petty cash voucher and receipts.
- F. Accounts Payable shall process the forms and generate a check payable to the office as a reimbursement to the respective petty cash fund, treating the reimbursement as a payment to a vendor.

3. Replenishing the City Treasurer Petty Cash Fund. The City Treasurer shall replenish the fund on a monthly basis through the Accounts Payable system.

- A. On a monthly basis, the City Treasurer shall segregate all petty cash vouchers by fund and submit to the city accountant for reimbursement.
- B. The accounting office shall confirm the accuracy of the information, breakdown the expenditures by line item, confirm that sufficient funds are in the accounts, and submit the vouchers and an Accounts Payable Approval form to Accounts Payable for processing.
- C. Accounts Payable shall generate a check payable to the City Treasurer as reimbursement.

Section 13

RESERVED

Section 14

Receiving shipments of materials, supplies, and equipment

14.01 PURPOSE:

The purpose of this issuance is to outline the required procedures for the receipt of materials delivered by vendors after procurement by purchase order.

14.02 APPLICABLE TO:

All departments, divisions, offices or agencies.

14.03 RECEIVING ORDERED MATERIAL:

1. Responsibility. Each item received must be inspected for damage and received in order to properly pay bills. These duties are the responsibility of the using department, division, office or agency personnel.

2. Receiving Shipments in Full or in Part. The receiver should check the packing slips to insure that all items were shipped as ordered. If the order is received in full, the packing slip should be signed, dated and filed with the department, division, office or agency copy of the purchase order. The signature and date is confirmation that the order was received as indicated.

If a partial shipment is received, the packing slip should indicate that the remainder of the order is on backorder. If so, the slip should be signed, dated and forwarded to Accounts Payable with a copy of the purchase order for payment. A copy of the receiving should be filed with the department, division, office or agency. If a backorder is not indicated or the complete order is not received by the agreed upon date, the purchasing coordinator should be notified within one (1) working day for follow up with the vendor.

3. Incorrect or Damaged Shipments. The person receiving items inspects them for damage and correctness of order. If an order is delivered not as specified, the department, division, office or agency shall contact the purchasing office within one (1) working day of receipt of the order. The department, division, office or agency will explain why the delivery was unacceptable and request that provisions be made for a satisfactory replacement or a supplemental delivery. The purchasing coordinator shall also be contacted immediately if the vendor cannot comply with the original order.

4. Invoices. Although the vendor is directed to send all invoices to Accounts Payable, occasionally they may be included with a shipment. The department, division, office or agency shall forward all invoices to Accounts Payable immediately for proper payment, if they are included in the shipment.

APPENDIX 1

Non-Collusion Affidavit



**CITY OF READING, PA
RFP EVALUATION COMMITTEE
CERTIFICATION OF CONFIDENTIALITY
AND
NO CONFLICT OF INTEREST**

RFP Description _____
Evaluator Name _____
Date _____

In order to ensure fairness in the evaluation of proposals submitted in response to a Request for Proposals (RFP), it is very important that proposals be evaluated in an unbiased manner and without conflict of interest, and that the contents of proposals remain confidential throughout the evaluation process. You have been selected as an evaluator not only because of your managerial/technical expertise, but also because the Purchasing Coordinator and your supervisor are not aware of any bias, business or family relationships, or any other conflicts that could affect, or which could be perceived to affect, your fair, honest and impartial evaluation of the proposals. As a public employee you are expected to: 1) discharge your duties impartially so as to assure fair, competitive access to the City of Reading procurement by responsible contractors, and 2) conduct yourself in a manner which fosters public confidence in the integrity of the City's procurement process.

To provide needed assurance that no conflicts or bias exist, please read this document in its entirety, check all boxes, make any needed disclosures on Attachment A, sign it, make one copy for yourself and give the originally-signed copy to the Purchasing Coordinator.

**Part I
No Foreseeable Conflict of Interest or Bias**

I acknowledge that I have been selected to participate as a member of the Evaluation Committee for the referenced RFP.

I certify that I:

Am not a current or former employee of any of the firms in the industry that I would foresee as submitting a proposal, with the exception of

_____ [identify any exceptions by name of business firm and complete Attachment A].

Am not a director, officer, owner, partner, agent, or representative of any of the firms in the industry that I would foresee as submitting a proposal.

- Do not hold any stock or any financial interest in any of the firms in the industry that I would foresee as submitting a proposal, with the exception of

[identify any exceptions by name of business firm and complete Attachment A].

I certify that, to the best of my knowledge, my spouse and my dependent children:

- Are not current employees of any firm in the industry that I would foresee as submitting a proposal.
- Are not directors, officers, owners or partners of any firm that I would foresee as submitting a proposal.
- Do not hold stock exceeding five percent of the equity at fair market value of any of the firms in the industry that I would foresee as submitting a proposal.

I certify that I will not:

- Solicit or accept, directly or indirectly, any promise of future employment or business opportunity from, or engage, directly or indirectly, in any discussion of future employment or business opportunity with, any director, officer, owner, partner, employee, representative, agent or consultant of an offeror that submits a proposal, or their proposed subcontractors.
- Ask for, demand, exact, solicit, seek, accept, receive, or agree to receive, directly or indirectly, any money, gratuity, or other thing of value from any director, officer, owner, partner, employee, representative, agent, or consultant of an offeror that submits a proposal, or their proposed subcontractors for this project. I will advise my immediate family that the acceptance of any such gratuity may be imputed to me as a violation, and must therefore be avoided by them.

I understand that my obligations under this certification are of a continuing nature. If at any time during the RFP process I receive a contact from an offeror that submits a proposal, or their proposed subcontractors, concerning employment or other business opportunity, the offer of a gift from an offeror that submits a proposal, or their proposed subcontractors, or I encounter circumstances where my participation might result in a real, apparent, or potential conflict, I will immediately seek the advice of the Purchasing Coordinator and Solicitor and report the circumstances to my supervisor.

Part II Confidentiality

- I certify that I will not divulge nor make known, in any manner whatsoever, to any person, other than a member of the RFP evaluation committee or other individual who has signed a copy of this Confidentiality Statement for the same acquisition, any information pertaining to any and all aspects of the RFP (which has not already been made available to the public or all interested offerors) including but not limited to: the contents of offerors' proposals, the scoring method, points allotted, evaluator scores, costs, or any other confidential information regarding the RFP process.
- I understand that unauthorized sharing of information may have the result of giving an offeror an unfair advantage over another offeror and thereby render the process invalid.

- I understand that any persons who divulge such information may be subject to disciplinary action, including termination of their employment with the City if the individual is a City employee. If the individual is the employee of a consultant, the consultant may be requested to remove the employee from the project and the contract for the consultant may be terminated.

Part III Signature and Certification

- I have read and completed the acknowledgement, certifications and understanding contained in *Part I, No Foreseeable Conflict of Interest or Bias*, and fully understand them. I have read and completed the certification and understandings contained in *Part II, Confidentiality*, and fully understand them. I further understand that I make the acknowledgement and certifications and confirm the understandings herein subject to the provisions and penalties of *18 Pa.C.S. Section 4904 (unsworn falsification to authorities)*.

Signature

Date

Name

RFP Name

This statement must be signed by every member of the RFP evaluation committee and every other individual that requires non-public information on this RFP. The Purchasing Coordinator shall direct any question/exception/unchecked box/disclosure to the City Solicitor for advice.

Appendix 2

CONTRACT FOR PROFESSIONAL SERVICES

This agreement is made and entered into as of the _____ of _____, 20__ between the City of Reading (hereinafter referred to as the "City", and Insert Vendor Here., hereinafter referred to as the "Contractor".

In consideration of the mutual covenants and conditions herein contained the parties agree as follows:

SCOPE OF WORK

Define Scope of Work

DELIVERABLES

List all contract deliverables and their due dates.

3. TERM OF CONTRACT

The term of the Contract shall commence on Date (hereinafter the Effective Date) and shall end on Date (hereinafter the Expiration Date), subject to the other provisions of the Contract. The Contracting Officer shall issue a written Notice to Proceed to the Contractor directing the Contractor to start performance on a date which is on or after the Effective Date. The Contractor shall not start the performance of any work prior to the date set forth in the Notice to Proceed and the City shall not be liable to pay the Contractor for any service or work performed or expenses incurred before the date set forth in the Notice to Proceed. No City employee has the authority to verbally direct the commencement of any work under this Contract. The City reserves the right, upon notice to the Contractor, to extend the term of the Contract for up to three (3) months upon the same terms and conditions. This will be utilized to prevent a lapse in Contract coverage and only for the time necessary, up to three (3) months, to enter into a new contract.

4. INDEPENDENT CONTRACTOR

In performing the services required by the Contract, the Contractor will act as an independent contractor and not as an employee or agent of the City.

5. COMPLIANCE WITH LAW

The Contractor shall comply with all applicable federal and state laws and regulations and local ordinances in the performance of the Contract.

6. ENVIRONMENTAL PROVISIONS

In the performance of the Contract, the Contractor shall minimize pollution and shall strictly comply with all applicable environmental laws and regulations.

7. COMPENSATION/EXPENSES

The Contractor shall be required to perform the specified services at the price(s) quoted in the Contract, Appendix A. All services shall be performed within the time period(s) specified in the Contract. The Contractor shall be compensated only for work performed to the satisfaction of the City. The Contractor shall not be allowed or paid travel or per diem expenses except as specifically set forth in the Contract.

8. INVOICES

The Contractor shall submit monthly invoices to the City for services performed during each billing period. Invoices shall be forwarded to the following contact and address:

Name
City of Reading, Accounting Department
815 Washington Street, Room 2-51
Reading, PA 19601

Each invoice shall be under cover of a letter on the vendor's letterhead and itemized listing the services performed by date, hours worked, and by rate.

9. PAYMENT

The City shall put forth reasonable efforts to make payment by the required payment date. The required payment date is: (a) the date on which payment is due under the terms of the Contract; (b) thirty (30) days after a proper invoice actually is received at the "Provide Service and Bill To" address if a date on which payment is due is not specified in the Contract (a "proper" invoice is not received until the City accepts the

service as satisfactorily performed); or (c) the payment date specified on the invoice if later than the dates established by (a) and (b) above. Payment may be delayed if the payment amount on an invoice is not based upon the price(s) as stated in the Contract. Payment should not be construed by the Contractor as acceptance of the service performed by the Contractor. The City reserves the right to conduct further testing and inspection after payment, but within a reasonable time after performance, and to reject the service if such post payment testing or inspection discloses a defect or a failure to meet specifications. The Contractor agrees that the City may set off the amount of any state tax liability or other obligation of the Contractor or its subsidiaries to the City against any payments due the Contractor under any contract with the City.

10. TAXES

The City is exempt from all excise taxes imposed by the Internal Revenue Service and has accordingly registered with the Internal Revenue Service to make tax free purchases. With the exception of purchases of the following items, no exemption certificates are required and none will be issued: undyed diesel fuel, tires, trucks, gas guzzler emergency vehicles, and sports fishing equipment. The City is also exempt from Pennsylvania state sales tax, local sales tax, public transportation assistance taxes and fees and vehicle rental tax. The Pennsylvania Department of Revenue regulations provide that exemption certificates are not required for sales made to governmental entities and none will be issued. Nothing in this paragraph is meant to exempt a construction contractor from the payment of any of these taxes or fees which are required to be paid with respect to the purchase, use, rental, or lease of tangible personal property or taxable services used or transferred in connection with the performance of a construction contract.

11. WARRANTY

The Contractor warrants that all services performed by the Contractor, its agents and subcontractors shall be free and clear of any defects in workmanship or materials. Unless otherwise stated in the contract, all services and parts are warranted for a period of one year following completion of performance by the Contractor and acceptance by the City. The Contractor shall correct any problem with the service and/or replace any defective part with a part of equivalent or superior quality without any additional cost to the City.

12. PATENT, COPYRIGHT, AND TRADEMARK INDEMNITY

The Contractor warrants that it is the sole owner or author of, or has entered into a suitable legal agreement concerning either: a) the design of any product or process provided or used in the performance of the Contract which is covered by a patent, copyright, or trademark registration or other right duly authorized by state or federal law or b) any copyrighted matter in any report document or other material provided to the City under the contract. The Contractor shall defend any suit or proceeding brought against the City on account of any alleged patent, copyright or trademark infringement in the United States of any of the products provided or used in the performance of the Contract. This is upon condition that the City shall provide prompt notification in writing of such suit or proceeding; full right, authorization and opportunity to conduct the defense thereof; and full information and all reasonable cooperation for the defense of same. As principles of governmental or public law are involved, the City may participate in or choose to conduct, in its sole discretion, the defense of any such action. If information and assistance are furnished by the City at the Contractor's written request, it shall be at the Contractor's expense, but the responsibility for such expense shall be only that within the Contractor's written authorization. The Contractor shall indemnify and hold the City harmless from all damages, costs, and expenses, including attorney's fees that the Contractor or the City may pay or incur by reason of any infringement or violation of the rights occurring to any holder of copyright, trademark, or patent interests and rights in any products provided or used in the performance of the Contract. If any of the products provided by the Contractor in such suit or proceeding are held to constitute infringement and the use is enjoined, the Contractor shall, at its own expense and at its option, either procure the right to continue use of such infringement products, replace them with non-infringement equal performance products or modify them so that they are no longer infringing. If the Contractor is unable to do any of the preceding, the Contractor agrees to remove all the equipment or software which are obtained contemporaneously with the infringing product, or, at the option of the City, only those items of equipment or software which are held to be infringing, and to pay the City: 1) any amounts paid by the City towards the purchase of the product, less straight line depreciation; 2) any license fee paid by the City for the use of any software, less an amount for the period of usage; and 3) the pro rata portion of any maintenance fee representing the time remaining in any period of maintenance paid for. The obligations of the Contractor under this paragraph continue without time limit. No costs or expenses shall be incurred for the account of the Contractor without its written consent.

13. OWNERSHIP RIGHTS

The City shall have unrestricted authority to reproduce, distribute, and use any submitted report, data, or material, and any software or modifications and any associated documentation that is designed or developed and delivered to the City as part of the performance of the Contract.

14. ASSIGNMENT OF ANTITRUST CLAIMS

The Contractor and the City recognize that in actual economic practice, overcharges by the Contractor's suppliers resulting from violations of state or federal antitrust laws are in fact borne by the City. As part of the consideration for the award of the Contract, and intending to be legally bound, the Contractor assigns to the City all right, title and interest in and to any claims the Contractor now has, or may acquire, under state or federal antitrust laws relating to the products and services which are the subject of this Contract.

15. HOLD HARMLESS PROVISION

The Contractor shall hold the City harmless from and indemnify the City against any and all claims, demands and actions based upon or arising out of any activities performed by the Contractor and its employees and agents under this Contract and shall, at the request of the City, defend any and all actions brought against the City based upon any such claims or demands.

16. AUDIT PROVISIONS

The City shall have the right, at reasonable times and at a site designated by the City, to audit the books, documents and records of the Contractor to the extent that the books, documents and records relate to costs or pricing data for the Contract. The Contractor agrees to maintain records which will support the prices charged and costs incurred for the Contract. The Contractor shall preserve books, documents, and records that relate to costs or pricing data for the Contract for a period of three (3) years from date of final payment. The Contractor shall give full and free access to all records to the City and/or their authorized representatives.

17. DEFAULT

A. The City may, subject to the provisions of Paragraph 18, Force Majeure, and in addition to its other rights under the Contract, declare the Contractor in default by written notice thereof to the Contractor, and terminate (as provided in Paragraph 19, Termination Provisions) the whole or any part of this Contract for any of the following reasons:

1. Failure to begin work within the time specified in the Contract or as otherwise specified;
2. Failure to perform the work with sufficient labor, equipment, or material to insure the completion of the specified work in accordance with the Contract terms;
3. Unsatisfactory performance of the work;
4. Failure or refusal to remove material, or remove and replace any work rejected as defective or unsatisfactory;
5. Discontinuance of work without approval;
6. Failure to resume work, which has been discontinued, within a reasonable time after notice to do so;
7. Insolvency or bankruptcy;
8. Assignment made for the benefit of creditors;
9. Failure or refusal within 10 days after written notice by the Contracting Officer, to make payment or show cause why payment should not be made, of any amounts due for materials furnished, labor supplied or performed, for equipment rentals, or for utility services rendered;
10. Failure to protect, to repair, or to make good any damage or injury to property; or
11. Breach of any provision of this Contract.

B. In the event that the City terminates this Contract in whole or in part as provided in Subparagraph A. above, the City may procure, upon such terms and in such manner as it determines, services similar or identical to those so terminated, and the Contractor shall be liable to the City for any reasonable excess costs for such similar or identical services included within the terminated part of the Contract.

C. If the Contract is terminated as provided in Subparagraph A. above, the City, in addition to any other rights provided in this paragraph, may require the Contractor to transfer title and deliver immediately to the City in the manner and to the extent directed by the Issuing Office, such partially completed work, including, where applicable, reports, working papers and other documentation, as the Contractor has specifically produced or specifically acquired for the performance of such part of the Contract as has been terminated. Except as provided below, payment for completed work accepted by the City shall be at the Contract price. Except as provided below, payment for partially completed work including, where applicable, reports and working papers, delivered to and accepted by the City shall be in an amount agreed upon by the Contractor and Contracting Officer. The City may withhold from amounts otherwise due the Contractor for such completed or partially completed works, such

sum as the Contracting Officer determines to be necessary to protect the City against loss.

D. The rights and remedies of the City provided in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

E. The City's failure to exercise any rights or remedies provided in this paragraph shall not be construed to be a waiver by the City of its rights and remedies in regard to the event of default or any succeeding event of default.

18. FORCE MAJEURE

Neither party will incur any liability to the other if its performance of any obligation under this Contract is prevented or delayed by causes beyond its control and without the fault or negligence of either party. Causes beyond a party's control may include, but aren't limited to, acts of God or war, changes in controlling law, regulations, orders or the requirements of any governmental entity, severe weather conditions, civil disorders, natural disasters, fire, epidemics and quarantines, general strikes throughout the trade, and freight embargoes. The Contractor shall notify the City orally within five (5) days and in writing within ten (10) days of the date on which the Contractor becomes aware, or should have reasonably become aware, that such cause would prevent or delay its performance. Such notification shall (i) describe fully such cause(s) and its effect on performance, (ii) state whether performance under the contract is prevented or delayed and (iii) if performance is delayed, state a reasonable estimate of the duration of the delay. The Contractor shall have the burden of proving that such cause(s) delayed or prevented its performance despite its diligent efforts to perform and shall produce such supporting documentation as the City may reasonably request. After receipt of such notification, the City may elect either to cancel the Contract or to extend the time for performance as reasonably necessary to compensate for the Contractor's delay.

In the event of a declared emergency by competent governmental authorities, the City by notice to the Contractor, may suspend all or a portion of the Contract.

19. TERMINATION PROVISIONS

The City has the right to terminate this Contract for any of the following reasons. Termination shall be effective upon written notice to the Contractor.

A. **TERMINATION FOR CONVENIENCE:** The City shall have the right to terminate the Contract for its convenience if the City determines termination to be in its best interest. The Contractor shall be paid for work satisfactorily completed prior to the effective date of the termination, but in no event shall the Contractor be entitled to recover loss of profits.

B. **NON-APPROPRIATION:** The City's obligation to make payments during any City fiscal year succeeding the current fiscal year shall be subject to availability and appropriation of funds. When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal year period, the City shall have the right to terminate the contract. The contractor shall be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the supplies or services delivered under this contract. Such reimbursement shall not include loss of profit, loss of use of money, or administrative or overhead costs. The reimbursement amount may be paid for any appropriations available for that purpose.

C. **TERMINATION FOR CAUSE:** The City shall have the right to terminate the Contract for Contractor default under Paragraph 17, Default, upon written notice to the Contractor. The City shall also have the right, upon written notice to the Contractor, to terminate the Contract for other cause as specified in this Contract or by law. If it is later determined that the City erred in terminating the Contract for cause, then, at the City's discretion, the Contract shall be deemed to have been terminated for convenience under the Subparagraph 19.a.

20. CONTRACT CONTROVERSIES

A. In the event of a controversy or claim arising from the Contract, the Contractor must, within six months after the cause of action accrues, file a written claim with the contracting officer for a determination. The claim shall state all grounds upon which the Contractor asserts a controversy exists. If the Contractor fails to file a claim or files an untimely claim, the Contractor is deemed to have waived its right to assert a claim in any forum.

B. The contracting officer shall review timely-filed claims and issue a final determination, in writing, regarding the claim. The final determination shall be issued within 120 days of the receipt of the claim, unless extended by consent of the contracting officer and the Contractor. The contracting officer shall send his/her written determination to the Contractor. If the contracting officer fails to issue a final determination within the 120 days (unless extended by consent of the parties), the claim shall be deemed denied. The contracting officer's determination shall be the final order of the purchasing agency.

21. ASSIGNABILITY AND SUBCONTRACTING

A. Subject to the terms and conditions of this Paragraph 21, this Contract shall be binding upon the parties and their respective successors and assigns.

B. The Contractor shall not subcontract with any person or entity to perform all or any part of the work to be performed under this Contract without the prior written consent of the Contracting Officer, which consent may be withheld at the sole and absolute discretion of the Contracting Officer.

C. The Contractor may not assign, in whole or in part, this Contract or its rights, duties, obligations, or responsibilities hereunder without the prior written consent of the Contracting Officer, which consent may be withheld at the sole and absolute discretion of the Contracting Officer.

D. Notwithstanding the foregoing, the Contractor may, without the consent of the Contracting Officer, assign its rights to payment to be received under the Contract, provided that the Contractor provides written notice of such assignment to the Contracting Officer together with a written acknowledgement from the assignee that any such payments are subject to all of the terms and conditions of this Contract.

E. For the purposes of this Contract, the term "assign" shall include, but shall not be limited to, the sale, gift, assignment, pledge, or other transfer of any ownership interest in the Contractor provided, however, that the term shall not apply to the sale or other transfer of stock of a publicly traded company.

F. Any assignment consented to by the Contracting Officer shall be evidenced by a written assignment agreement executed by the Contractor and its assignee in which the assignee agrees to be legally bound by all of the terms and conditions of the Contract and to assume the duties, obligations, and responsibilities being assigned.

G. A change of name by the Contractor, following which the Contractor's federal identification number remains unchanged, shall not be considered to be an assignment hereunder. The Contractor shall give the Contracting Officer written notice of any such change of name.

22. NONDISCRIMINATION/SEXUAL HARASSMENT CLAUSE

During the term of the Contract, the Contractor agrees as follows:

A. In the hiring of any employee(s) for the manufacture of supplies, performance of work, or any other activity required under the contract or any subcontract, the Contractor, each subcontractor, or any person acting on behalf of the Contractor or subcontractor shall not, by reason of gender, race, creed, or color, discriminate against any citizen of this City who is qualified and available to perform the work to which the employment relates.

B. Neither the Contractor nor any subcontractor nor any person on their behalf shall in any manner discriminate against or intimidate any employee involved in the manufacture of supplies, the performance of work, or any other activity required under the contract on account of gender, race, creed, or color.

C. The Contractor and each subcontractor shall establish and maintain a written sexual harassment policy and shall inform their employees of the policy. The policy must contain a notice that sexual harassment will not be tolerated and employees who practice it will be disciplined.

D. The Contractor and each subcontractor shall not discriminate by reason of gender, race, creed, or color against any subcontractor or supplier who is qualified to perform the work to which the contract relates.

E. The Contractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subcontract so that those provisions applicable to subcontractors will be binding upon each subcontractor.

23. CONTRACTOR INTEGRITY PROVISIONS

It is essential that those who seek to contract with the City observe high standards of honesty and integrity. They must conduct themselves in a manner that fosters public confidence in the integrity of the City procurement process. In furtherance of this policy, Contractor agrees to the following:

A. Contractor shall maintain the highest standards of honesty and integrity during the performance of this contract and shall take no action in violation of state or federal laws or regulations or any other applicable laws or regulations, or other requirements applicable to Contractor or that governs contracting with the City.

B. Contractor shall establish and implement a written business integrity policy, which includes, at a minimum, the requirements of these provisions as they relate to Contractor employee activity with the City and City employees, and which is distributed and made known to all Contractor employees.

C. Contractor, its affiliates, agents and employees shall not influence, or attempt to influence, any City employee to breach the standards of ethical conduct for City employees set forth in the City of Reading Code of Ethics, available on the City's website at ReadingPA.gov and *Public Official and Employees Ethics*

Act, 65 Ph.C.'s §§1101 et seq.; the State Adverse Interest Act, 71 P.S. §776.1 et seq.; or to breach any other local, state or federal law or regulation.

D. Contractor, its affiliates, agents and employees shall not offer, give, or agree or promise to give any gratuity to a City official or employee or to any other person at the direction or request of any City official or employee.

E. Contractor, its affiliates, agents and employees shall not offer, give, or agree or promise to give any gratuity to a City official or employee or to any other person, the acceptance of which would violate any statute, regulation, statement of policy, management directive or any other published standard of the City or Commonwealth of Pennsylvania.

F. Contractor, its affiliates, agents, employees, or anyone in privity with him or her shall not accept or agree to accept from any person, any gratuity in connection with the performance of work under the contract, except as provided in the contract.

G. Contractor shall not have a financial interest in any other contractor, subcontractor, or supplier providing services, labor, or material on this project, unless the financial interest is disclosed to the City in writing and the City consents to Contractor's financial interest prior to City's execution of the contract. Contractor shall disclose the financial interest to the City at the time of bid or proposal submission, or if no bids or proposals are solicited, no later than Contractor's submission of the contract signed by Contractor.

H. Contractor, its affiliates, agents and employees shall not disclose to others any information, documents, reports, data, or records provided to, or prepared by, Contractor under this contract without the prior written approval of the City, except as required by the *Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104*, or other applicable law or as otherwise provided in this contract. Any information, documents, reports, data, or records secured by Contractor from the City or a third party in connection with the performance of this contract shall be kept confidential unless disclosure of such information is

1. Approved in writing by the City prior to its disclosure; or
2. Directed by a court or other tribunal of competent jurisdiction unless the contract requires prior City approval; or
3. Required for compliance with federal or state securities laws or the requirements of national securities exchanges; or
4. Necessary for purposes of Contractor's internal assessment and review; or
5. Deemed necessary by Contractor in any action to enforce the provisions of this contract or to defend or prosecute claims by or against parties other than the City; or
6. Permitted by the valid authorization of a third party to whom the information, documents, reports, data, or records pertain; or
7. Otherwise required by law.

J. Contractor certifies that neither it nor any of its officers, directors, associates, partners, limited partners or individual owners has been officially notified of, charged with, or convicted of any of the following and agrees to immediately notify the City contracting officer in writing if and when it or any officer, director, associate, partner, limited partner or individual owner has been officially notified of, charged with, convicted of, or officially notified of a governmental determination of any of the following:

1. Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property.
2. Commission of fraud or a criminal offense or other improper conduct or knowledge of, approval of or acquiescence in such activities by Contractor or any affiliate, officer, director, associate, partner, limited partner, individual owner, or employee or other individual or entity associated with:
 - A. obtaining;
 - B. attempting to obtain; or
 - C. performing a public contract or subcontract.

Contractor's acceptance of the benefits derived from the conduct shall be deemed evidence of such knowledge, approval or acquiescence.

3. Violation of federal or state antitrust statutes.
4. Violation of any federal or state law regulating campaign contributions.
5. Violation of any federal or state environmental law.
6. Violation of any federal or state law regulating hours of labor, minimum wage standards or prevailing wage standards; discrimination in wages; or child labor violations.
7. Violation of the *Act of June 2, 1915 (P.L. 736, No. 338)*, known as the *Workers' Compensation Act, 77 P.S. 1 et seq.*

8. Violation of any federal, state, or City law prohibiting discrimination in employment.
9. Disbarment by any agency or department of the federal government or by any other state.
10. Any other crime involving moral turpitude or business honesty or integrity.

Contractor acknowledges that the City may, in its sole discretion, terminate the contract for cause upon such notification or when the City otherwise learns that Contractor has been officially notified, charged, or convicted.

K. When Contractor has reason to believe that any breach of ethical standards as set forth in law or in these provisions has occurred or may occur, including but not limited to contact by a City officer or employee which, if acted upon, would violate such ethical standards, Contractor shall immediately notify the City contracting officer or City Solicitor in writing.

L. Contractor, by submission of its bid or proposal and/or execution of this contract and by the submission of any bills, invoices or requests for payment pursuant to the contract, certifies and represents that it has not violated any of these contractor integrity provisions in connection with the submission of the bid or proposal, during any contract negotiations or during the term of the contract.

M. Contractor shall cooperate with the City Solicitor in its investigation of any alleged City employee breach of ethical standards and any alleged Contractor non-compliance with these provisions. Contractor agrees to make identified Contractor employees available for interviews at reasonable times and places. Contractor, upon the inquiry or request of the City Solicitor, shall provide, or if appropriate, make promptly available for inspection or copying, any information of any type or form deemed relevant by the City Solicitor to Contractor's integrity and compliance with these provisions. Such information may include, but shall not be limited to, Contractor's business or financial records, documents or files of any type or form that refers to or concern this contract.

N. For violation of any of these Contractor Integrity Provisions, the City may terminate this and any other contract with Contractor, claim liquidated damages in an amount equal to the value of anything received in breach of these provisions, claim damages for all additional costs and expenses incurred in obtaining another contractor to complete performance under this contract, and disbar and suspend Contractor from doing business with the City. These rights and remedies are cumulative, and the use or non-use of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the City may have under law, statute, regulation, or otherwise.

O. For purposes of these Contractor Integrity Provisions, the following terms shall have the meanings found in this Paragraph.

1. "Confidential information" means information that a) is not already in the public domain; b) is not available to the public upon request; c) is not or does not become generally known to Contractor from a third party without an obligation to maintain its confidentiality; d) has not become generally known to the public through an act or omission of Contractor; or e) has not been independently developed by Contractor without the use of confidential information of the City.

2. "Consent" means written permission signed by a duly authorized officer or employee of the City, provided that where the material facts have been disclosed, in writing, by pre-qualification, bid, proposal, or contractual terms, the City shall be deemed to have consented by virtue of execution of this contract.

3. "Contractor" means the individual or entity that has entered into this contract with the City, including those directors, officers, partners, managers, and owners having more than a five percent interest in Contractor.

4. "Financial interest" means:

A. Ownership of more than a five percent interest in any business; or

B. Holding a position as an officer, director, trustee, partner, employee, or holding any position of management.

5. "Gratuity" means tendering, giving or providing anything of more than nominal monetary value including, but not limited to, cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or contracts of any kind.

6. "Immediate family" means a spouse and any unemancipated child.

7. "Non-bid basis" means a contract awarded or executed by the City with Contractor without seeking bids or proposals from any other potential bidder or offeror.

8. "Political contribution" means any payment, gift, subscription, assessment, contract, payment for services, dues, loan, forbearance, advance or deposit of money or any valuable thing, to a candidate for public office or to a political committee, including but not limited to a political action

committee, made for the purpose of influencing any election in the City of Reading or for paying debts incurred by or for a candidate or committee before or after any election.

24. CONTRACTOR RESPONSIBILITY PROVISIONS

A. The Contractor certifies, for itself and all its subcontractors, that as of the date of its execution of this Bid/Contract, that neither the Contractor, nor any subcontractors, nor any suppliers are under suspension or disbarment by the City or any governmental entity, instrumentality, or authority and, if the Contractor cannot so certify, then it agrees to submit, along with its Bid, a written explanation of why such certification cannot be made.

B. The Contractor also certifies, that as of the date of its execution of this Bid/Contract, it has no tax liabilities or other City obligations.

C. The Contractor's obligations pursuant to these provisions are ongoing from and after the effective date of the contract through the termination date thereof. Accordingly, the Contractor shall have an obligation to inform the City if, at any time during the term of the Contract, it becomes delinquent in the payment of taxes, or other City obligations, or if it or any of its subcontractors are suspended or disbarred by the City, the Commonwealth of Pennsylvania, the federal government, or any other state or governmental entity. Such notification shall be made within 15 days of the date of suspension or disbarment.

D. The failure of the Contractor to notify the City of its suspension or disbarment by the City, Commonwealth of Pennsylvania, any other state, or the federal government shall constitute an event of default of the Contract with the City.

E. The Contractor agrees to reimburse the City for the reasonable costs of investigation incurred by the City Solicitor for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the City, which results in the suspension or disbarment of the Contractor. Such costs shall include, but shall not be limited to, salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. The Contractor shall not be responsible for investigative costs for investigations that do not result in the Contractor's suspension or disbarment.

25. AMERICANS WITH DISABILITIES ACT

A. Pursuant to federal regulations promulgated under the authority of The Americans With Disabilities Act, 28 C.F.R. § 35.101 et seq., the Contractor understands and agrees that it shall not cause any individual with a disability to be excluded from participation in this Contract or from activities provided for under this Contract on the basis of the disability. As a condition of accepting this contract, the Contractor agrees to comply with the "General Prohibitions Against Discrimination," 28 C.F.R. § 35.130, and all other regulations promulgated under Title II of The Americans With Disabilities Act which are applicable to all benefits, services, programs, and activities provided by the City of Reading through contracts with outside contractors.

B. The Contractor shall be responsible for and agrees to indemnify and hold harmless the City of Reading from all losses, damages, expenses, claims, demands, suits, and actions brought by any party against the City of Reading as a result of the Contractor's failure to comply with the provisions of Subparagraph A above.

26. COVENANT AGAINST CONTINGENT FEES

The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the City shall have the right to terminate the Contract without liability or in its discretion to deduct from the Contract price or consideration, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

27. APPLICABLE LAW

This Contract shall be governed by and interpreted and enforced in accordance with the laws of the City of Reading and of the Commonwealth of Pennsylvania (without regard to any conflict of laws provisions) and the decisions of the Pennsylvania courts. The Contractor consents to the jurisdiction of any court of the Commonwealth of Pennsylvania and any federal courts in Pennsylvania, waiving any claim or defense that such forum is not convenient or proper. The Contractor agrees that any such court shall have in personam jurisdiction over it, and consents to service of process in any manner authorized by Pennsylvania law.

28. INTEGRATION

The Contract, including all referenced documents, constitutes the entire agreement between the parties. No agent, representative, employee or officer of either the City or the Contractor has authority to make, or has made, any statement, agreement or representation, oral or written, in connection with the Contract, which in any way can be deemed to modify, add to or detract from, or otherwise change or alter its terms and conditions. No negotiations between the parties, nor any custom or usage, shall be permitted to modify or contradict any of the terms and conditions of the Contract. No modifications, alterations, changes, or waiver to the Contract or any of its terms shall be valid or binding unless accomplished by a written amendment signed by both parties. All such amendments will be made using the appropriate City form.

29. CHANGE ORDERS

The City reserves the right to issue change orders at any time during the term of the Contract or any renewals or extensions thereof: 1) to increase or decrease the quantities resulting from variations between any estimated quantities in the Contract and actual quantities; 2) to make changes to the services within the scope of the Contract; 3) to notify the Contractor that the City is exercising any Contract renewal or extension option; or 4) to modify the time of performance that does not alter the scope of the Contract to extend the completion date beyond the Expiration Date of the Contract or any renewals or extensions thereof. Any such change order shall be in writing signed by the Contracting Officer. The change order shall be effective as of the date appearing on the change order, unless the change order specifies a later effective date. Such increases, decreases, changes, or modifications will not invalidate the Contract, nor, if performance security is being furnished in conjunction with the Contract, release the security obligation. The Contractor agrees to provide the service in accordance with the change order. Any dispute by the Contractor in regard to the performance required under any change order shall be handled through Paragraph 19, "Contract Controversies".

For purposes of this Contract, "change order" is defined as a written order signed by the Contracting Officer directing the Contractor to make changes authorized under this clause.

30. RIGHT TO KNOW LAW 8-K-1532

A. The Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104, ("RTKL") applies to this Contract. For the purpose of these provisions, the term "the City" shall refer to the City of Reading

B. If the City needs the Contractor's assistance in any matter arising out of the RTKL related to this Contract, it shall notify the Contractor using the legal contact information provided in this Contract. The Contractor, at any time, may designate a different contact for such purpose upon reasonable prior written notice to the City.

C. Upon written notification from the City that it requires the Contractor's assistance in responding to a request under the RTKL for information related to this Contract that may be in the Contractor's possession, constituting, or alleged to constitute, a public record in accordance with the RTKL ("Requested Information"), the Contractor shall:

1. Provide the City, within ten (10) calendar days after receipt of written notification, access to, and copies of, any document or information in the Contractor's possession arising out of this Contract that the City reasonably believes is Requested Information and may be a public record under the RTKL; and

2. Provide such other assistance as the City may reasonably request, in order to comply with the RTKL with respect to this Contract.

D. If the Contractor considers the Requested Information to include a request for a Trade Secret or Confidential Proprietary Information, as those terms are defined by the RTKL, or other information that the Contractor considers exempt from production under the RTKL, the Contractor must notify the City and provide, within seven (7) calendar days of receiving the written notification, a written statement signed by a representative of the Contractor explaining why the requested material is exempt from public disclosure under the RTKL.

E. The City will rely upon the written statement from the Contractor in denying a RTKL request for the Requested Information unless the City of Reading determines that the Requested Information is clearly not protected from disclosure under the RTKL. Should the City determine that the Requested Information is clearly not exempt from disclosure, the Contractor shall provide the Requested Information within five (5) business days of receipt of written notification of the City's determination.

F. If the Contractor fails to provide the Requested Information within the time period required by these provisions, the Contractor shall indemnify and hold the City harmless for any damages, penalties, costs, detriment or harm that the City may incur as a result of the Contractor's failure, including any statutory damages assessed against the City.

G. The City will reimburse the Contractor for any costs associated with complying with these provisions

only to the extent allowed under the fee schedule established by the Commonwealth of Pennsylvania Office of Open Records or as otherwise provided by the RTKL if the fee schedule is inapplicable.

H. The Contractor may file a legal challenge to any City decision to release a record to the public with the Office of Open Records, or in the Pennsylvania Courts, however, the Contractor shall indemnify the City for any legal expenses incurred by the City as a result of such a challenge and shall hold the City harmless for any damages, penalties, costs, detriment or harm that the City may incur as a result of the Contractor's failure, including any statutory damages assessed against the City, regardless of the outcome of such legal challenge. As between the parties, the Contractor agrees to waive all rights or remedies that may be available to it as a result of the City's disclosure of Requested Information pursuant to the RTKL.

I. The Contractor's duties relating to the RTKL are continuing duties that survive the expiration of this Contract and shall continue as long as the Contractor has Requested Information in its possession.

IN WITNESS WHEREOF, the CITY OF READING, and VENDOR. have caused this Contract to be executed on the date and year first above written.

VENDOR

CITY OF READING

By: _____
Title: _____

By: _____
Managing Director

By: _____
City Solicitor

WITNESS

City Clerk

CONTRACT APPENDIX A
BUDGET AND BILLING

Describe Contract Budget and Specific Billing Terms & Conditions Here.

Sample RFP

REQUEST FOR PROPOSALS

RFP Title

CITY OF READING

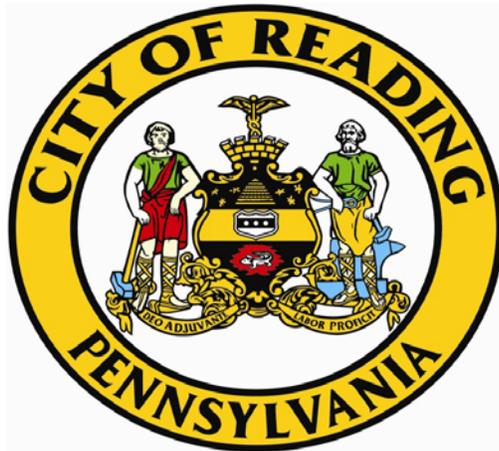


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PURPOSE

The City of Reading (the City) is requesting proposals from vendors for the purpose of supplying, installing and maintaining the City Hall Access Control System.

PROPOSAL SUBMISSION

The original proposal, one (1) printed copy, and one (1) electronic copy on compact disc shall be submitted in a sealed envelope that shall plainly indicate on it the title of the proposal and the date for receiving. This shall be delivered to the City Purchasing Coordinator, Room 2-45 , City Hall, 815 Washington Street, Reading, PA, until 3:00 P.M., prevailing time on Thursday, March 14, 2013. The envelope shall be clearly labeled as RFP for City Hall Access Control System.

Proposals received at the Office of the Purchasing Coordinator after the hour specified will not be considered. Proposers are invited to be present at the RFP opening.

PRE-PROPOSAL CONFERENCE

A mandatory pre-bid conference will be held on February 20, 2013 at 10 A.M.. To facilitate the clarification of requirements, proposers are requested to submit, in writing, any questions they may have by 10:00 A.M. on Wednesday, February 27, 2013. Any interpretation made to prospective proposers, will be expressed in the form of an addendum which, if issued, will be conveyed in writing to all prospective proposers no later than 2:00 P.M. on Wednesday, March 6, 2013.

PROPOSER'S CLARIFICATION

By submitting a proposal, the proposer certifies that the RFP has been fully read and that the proposer understands the proposal method and has full knowledge of the scope, nature and quality of work to be performed.

INSURANCE

The Successful Proposer, at the time of execution of the contract, shall also furnish the City with insurance certificates of adequate limits, as later indicated, to protect the City of Reading, its agents, and employees from any litigation involving Worker's Compensation, Public Liability and Property Damage, involved in the work. All subcontractors must also furnish copies of their liability insurance and Worker's Compensation Insurance certificates to the City. No subcontractor will be allowed to perform any work under this contract by the City unless such certificates are submitted to and approved by the City beforehand.

WORKER'S COMPENSATION AND PUBLIC LIABILITY AND PROPERTY DAMAGE INSURANCE

The status of the Proposer in the work to be performed is that of any independent Proposer and as such, he shall properly safeguard against any and all injury or damage to the public, to public and private property, materials and things, and as such he alone shall be

responsible for any and all damage, loss or injury to persons or property that may arise, or be incurred, in or during the conduct or progress of said work without regard to whether or not the Proposer, subcontractors, agents, or employees have been negligent, and the Proposer shall keep the City free and discharged of and from any and all responsibility and liability therefore of any sort or kind. The Proposer shall assume all responsibility for risks or casualties of every description, for any or all damage, loss or injury to persons or property arising out of the nature of the work from the action of the elements, or from any unforeseen or unusual difficulty, including all legal defense costs incurred by the City. The Proposer shall assume and be liable for all blame and loss of whatsoever nature by reason of neglect or violation of any Federal, State, County or Local laws, regulations, or ordinances; the Proposer shall indemnify and hold harmless the City from all suits or actions at law of any kind whatsoever in connection with this work and shall if required by the City, produce evidence of settlement of any such action before final payment shall be made the City. Proposer's Liability Insurance Certificate shall include the hold harmless clause and shall be filed with the City.

The Proposer shall maintain such insurance as will protect the proposer from claims under worker's compensation acts and from claims for damages because of bodily injury, including death, and property damage, which may arise from and during operations under this Contract, whether such operations be by himself, by any subcontractor or anyone directly, or indirectly employed by either of them. Proposer's liability insurance shall be in the names of the Proposer and the City as their respective interests may appear. Each policy and Certificate of Insurance shall contain an endorsement naming the City of Reading as additionally insured. Certificates of such insurance shall be filed with the City.

The minimum amount of liability insurance to be maintained by the Contractor during the life of the contract shall be as follows:

Comprehensive General Liability – for bodily injury and property damage – including any liability normally covered by a general liability policy with limits of not less than \$1,000,000 per occurrence and \$2,000,000 in the annual aggregate.

Professional Liability – in minimum amounts of \$1,000,000 per occurrence and \$2,000,000 aggregate.

Prior to commencement of performance of this Agreement, Contractor shall furnish to the City a certificate of insurance evidencing all required coverage in at least the limits required herein, naming the City of Reading, its elected officials, agents, and employees as additional insureds under the Comprehensive General Liability coverage, and providing that no policies may be modified or cancelled without thirty (30) days advance written notice to the City. Such certificate shall be issued to: City of Reading, 815 Washington Street, Reading, PA 19601. All policies shall be in effect with companies holding an A.M. Best rating of "A-" or better and shall be licensed to do business in the Commonwealth of Pennsylvania. Such companies shall also be acceptable to the City.

Please forward a certificate of insurance verifying these insurance requirements.

All subcontractors performing work under this contract must furnish to the City a copy if their Certificate of Insurance for Worker's Compensation and liability for bodily injury and property damage.

EQUAL EMPLOYMENT OPPORTUNITY

During the performance of this Contract, the Proposer agrees as follows:

The Proposer will not discriminate against any employees or applicant for employment because of race, color, religion, sex, or national origin. The Proposer will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to race, color, religion, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Proposer agrees to post in conspicuous places, available to employees and applicants for employment, notices which may be provided by the City setting forth the provisions of this nondiscrimination clause.

The Proposer will, in all solicitations or advertisements for employees placed by or on behalf of the Proposer, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

In the event of the Proposer's noncompliance with the non-discrimination clauses of this Contract or with any of the said rules, regulations, or orders, this Contract may be canceled, terminated, or suspended in whole, or in part and the Proposer may be declared ineligible for further City contracts.

The Proposer will include the provisions of these paragraphs in every subcontract or purchase order unless exempted.

EMPLOYMENT OF CERTAIN PERSONS PROHIBITED

No person who is or has serving/served sentence in a penal or correctional institution or has been found guilty or plead guilty or no contest for any type of theft shall be employed on the work covered by this Contract.

ALTERATIONS OR MODIFICATIONS

This contract will be under the direct supervision of the Director, Administrative Services or their designated representative. Any alterations or modifications of the work performed under this contract shall be made only by written agreement between the Proposer and the Director of Administrative Services or their designated representative, and shall be made prior to commencement of the altered or modified work. No claims for extra work or materials shall be allowed unless covered by written agreement.

SUBCONTRACTS

The Proposer will not be allowed to subcontract work under this contract unless written approval is granted by the City Purchasing Coordinator.

RIGHT TO AUDIT RECORDS

The City shall be entitled to audit the books and records of a proposer or any sub-proposer to the extent that such books and records relate to or affect the performance of such contract or

sub-contract. Such books and records shall be maintained by the proposer for a period of three (3) years from the date of final payment under the prime contract and by the sub-proposer for a period of three (3) years from the date of final payment under the sub-contract unless a shorter period is otherwise authorized in writing.

The City of Reading is tax exempt.

DISSEMINATION OF INFORMATION

During the term of the resulting contract, the successful proposer may not release any information related to the services or performance of services under the contract, nor publish any report or documents relating to the City, the account or performance of services under the agreement without prior written consent of the City; and shall indemnify and hold harmless the City, its officers, agents, and employees from all liability which may be incurred by reason of dissemination, publication and distribution, or circulation, in any manner whatsoever, of any information, data, documents, or material pertaining to the City, the account or the contract by the proposer or its agents or employees.

BUSINESS PRIVILEGE TAX

The City of Reading imposes a Business Privilege License, currently at \$55.00 per calendar year. In addition, a Business Privilege Tax is imposed at the rate of 2 ¼ mills upon the gross receipts attributable to business conducted within the City of Reading.

PERMITS / LICENSES

The Proposer shall, at their expense, pay all fees and procure all necessary licenses and permits needed to conduct the work required under the terms of this contract. The Proposer shall give any and all necessary formal notices required in conjunction with the lawful prosecution of the work of this contract.

OBSERVANCE OF LAWS, ORDINANCES AND REGULATIONS

The Proposer at all times during the term of this contract shall observe and abide by all Federal, State, and Local laws which in any way affect the conduct of the work and shall comply with all decrees and orders of courts of competent jurisdiction. The Proposer shall comply fully and completely with any and all applicable State and Federal statutes, rules and regulations as they relate to hiring, wages, and any other applicable conditions of employment.

WITHDRAWAL OF PROPOSALS

Proposers will be given permission to withdraw any proposals after they have been received by the City's Purchasing Coordinator at his/her office, provided said request is in writing and properly signed or by telegram and is received at least two (2) hours prior to the time and date set for the opening. Request by telegram must be confirmed in writing, properly signed, which must be delivered within twenty-four (24) hours of the time and date set for the opening. No proposals may be withdrawn for a period of ninety (90) days following the formal opening and receipt of proposals by the City of Reading.

PROPOSAL REJECTION

The City of Reading reserves the right to reject any or all proposals and to accept or reject any part of any proposal. It also reserves the right to waive any technical defects or minor irregularities, which in its discretion, is in the best interest of the City.

EXECUTION OF CONTRACT

The successful Proposer shall, within ten (10) calendar days after mailing of contract documents by the City to the Principal, enter into contract with the City.

The contract, along with this RFP, its attachments and addendums, when executed, shall be deemed to include the entire agreement between the parties; the Proposer shall not base any claim for modification of the contract upon any prior representation or promise made by the representatives of the City, or other persons.

CONTRACT TERMINATION

The City shall have the right to terminate a contract or a part thereof before the work is completed in the event:

- A. Previous unknown circumstances arise making it desirable in the public interest to void the contract.
- B. The proposer is not complying with the specifications.
- C. The proposer refuses, neglects, or fails to supply properly trained or skilled supervisory personnel and/or workers or proper equipment.
- D. The proposer in the judgment of the City is unnecessarily or willfully delaying the performance and completion of the work.
- E. The proposer refuses to proceed with work when and as directed by the City.
- F. The proposer abandons the work or fails to provide timely reports and revenue to the City demonstrating effective and fair collection efforts.
- G. The proposer fails to adhere to the policies and procedures of the Fair Debt Collections Practices Act.

Proposers who have questions concerning various aspects of this Contract should contact the following person:

Tammi Reinhart, Purchasing Coordinator
City Hall, 815 Washington Street
Reading, PA 19601-3690
Phone 610/655-6207
FAX 610/655-6427
Tammi.reinhart@readingpa.org

SCOPE OF SERVICES

1. Scope of needed services

FORM OF PROPOSAL

All proposers shall be aware that the RFP and the responses thereto are in the public domain; therefore, proposers shall identify specifically any information contained in the proposal which is to be considered confidential or proprietary and exempt from disclosure. Blanket statements that entire submittals are confidential shall be unacceptable.

All proposals will become the exclusive property of the City and will not be returned.

Proposals shall be prepared simply and economically, providing a straightforward, concise description of the proposer's ability to fulfill the requirements of the Request for Proposal. In order to insure a uniform review process and to obtain the maximum degree of comparability, it is required that proposals be organized in the manner specified.

Title Page

Show the name of proposer's agency/firm, address, telephone number, name of person authorized to obligate the firm, date, and the subject: REQUEST FOR PROPOSALS – City Hall Access Control System

Table of Contents

Include a clear identification of the material by section and by page number.

Letter of Transmittal

Limit to one or two pages briefly stating the proposer's understanding of the work to be done and making a positive commitment to perform the work. Give the names of the persons who will be authorized to make representations for the proposer, their titles, mailing addresses, telephone numbers and email addresses.

General Information

Name of business

Mailing address / phone & fax number

Name of person to contact

Business hours of business

State if business is local, national, or international and indicate the business legal status (corporation, partnership, etc.)

Give the date business was organized and/or incorporated, and where

Give the location of the office from which the work is to be done and the number of professional staff employees at the office

Indicate whether the business is a parent or subsidiary in a group of firms/agencies

INFORMATION REQUIRED OF PROPOSER

A. Cost

Submit fee for this service as described within.

B. The City of Reading will not be responsible for any out-of-pocket expenses incurred by the proposer.

C. Financial Soundness of Proposer

The proposer's most recent certified annual report, including balance sheets and profit and loss statements, should be submitted with its proposal. All information pertaining to the financial soundness of Proposer shall remain confidential. The City of Reading will contract only with a Proposer found to be financially sound. In addition, the City should be notified if there is a major claim(s) against the firm that could impact their ability to perform.

ASSIGNMENT OF KEY STAFF

The key member(s) of the contract identified must be assigned to the contract and must remain assigned to the contract for its duration, unless the City agrees in writing to modify the assignment. If a key member leaves during the course of the contract, the City must be notified immediately, and the contractor must submit the replacement name and credentials for approval by the City prior to that person starting work on the contract.

CITY INFORMATION

An executed Non-Collusion Affidavit and Non Discrimination Statement, as attached must be submitted with the proposal. Successful proposer will be required to submit an Indemnity Agreement, Stipulation Against Liens and a certificate of insurance as described.

EVALUATION OF PROPOSALS

The award may or may not be made to the firm submitting the lowest proposal. Award shall be made to the responsible offeror whose proposal is determined to be the most advantageous to the City, taking into consideration the evaluation factors set below. Only submissions that are complete and returned within the time limit will be considered.

The selection will be made by the City based on the following criteria:

- A. Experience, Qualifications and References
- B. Charges for Services including hardware & software costs
- C. MWE\WBE
- D. Reading based provider
- E. Completeness of RFP response ***A – E are required on all bids\proposals***
- F. List any other selection criteria

SELECTION COMMITTEE AND PROCEDURE FOR REVIEW OF PROPOSALS

A Selection Committee will be established to review and evaluate all proposals submitted in response to this Request for Proposals (RFP). The Committee shall conduct a preliminary evaluation of all proposals on the basis of the "Evaluation of Proposals" section of this RFP. Failure to comply with any requirements shall disqualify a proposal.

The City may arrange for a meeting with the submitting parties or entities to clarify any aspect of the proposals. The selection committee has the responsibility to negotiate the most favorable cost, terms and conditions to the City of Reading. The negotiating process may involve one or more RFP responses, and may continue until the actual award of the contract.

The City reserves the right to reject any and all proposals. The City further reserves the right to seek new proposals when such a procedure is reasonably in the best interest of the City to do so.

QUESTIONS REGARDING SPECIFICATIONS OR PROPOSAL PROCESS

To ensure fair consideration for all firms, the City prohibits communication to or with any department, division, office or agency, and employee during the submission process with the exception of those questions relative to interpretation of specifications or the proposal process. Such communications initiated by a firm may be grounds for disqualifying the offending firm from consideration for award of the proposal and/or any future proposal.

No interpretations of the meaning of the RFP documents will be made to any bidder orally. Every request for such interpretation shall be in writing to the City of Reading Purchasing Office, and to be given consideration must be received in writing prior to 10:00 A.M. on Wednesday, February 27, 2013. Direct inquiries to:

Tammi Reinhart
Purchasing Coordinator
City Hall, Rm. 2-45
815 Washington Street
Reading, PA 19601
Phone – 610/655-6206
FAX - 610/655-6427

Any and all such interpretation will be in the form of an Addendum to the Contract Documents and will be faxed or emailed to all prospective firms at the number furnished by them by Wednesday, _____, 20____.

Additionally, the City prohibits communications by a proposer to any City Official or employee evaluating or considering the proposals prior to the time an award decision has been made. Any communication between proposer and the City will be initiated by the Purchasing Coordinator in order to obtain information or clarification needed to develop a proper, accurate evaluation of the proposal. Any communications outside of the Purchasing Coordinator with a proposer shall be grounds for disqualifying the offending proposer from consideration for award of the proposal and/or any future proposal.

NON-COLLUSION AFFIDAVIT

INSTRUCTIONS FOR NON-COLLUSION AFFIDAVIT

1. This Non-Collusion Affidavit is material to any contract pursuant to this bid. According to the Pennsylvania Antibid-Rigging Act, 73 P.S. 1611 et seq., governmental agencies may require Non-Collusion Affidavits to be submitted together with bids.
2. This Non-Collusion Affidavit must be executed by the member officer, or employee of the bidder who is authorized to legally bind the bidder.
3. Bid rigging and other efforts to restrain competition, and the making of false sworn statements in connection with the submission of bids are unlawful and may be subject to criminal prosecution. The person who signs the Affidavit should examine it carefully before signing and assure himself or herself that each statement is true and accurate, making diligent inquiry, as necessary, of all other persons employed by or associated with the bidder with responsibilities for the preparation, approval or submission of the bid.
4. In the case of a bid submitted by a joint venture, each party to the venture must be identified in the bid documents, and an Affidavit must be submitted separately on behalf of each party.
5. The term “complementary bid” as used in the Affidavit has the meaning commonly associated with that term in the bidding process, and includes the knowing submission of bids higher than the bid of another firm, any intentionally high or noncompetitive bid, and any form of bid submitted for the purpose of giving a false appearance of competition.
6. Failure to file an Affidavit in compliance with these instructions will result in disqualification of the bid.

NON-COLLUSION AFFIDAVIT OF PRIME BIDDER

State of _____

County of _____

_____, being first duly sworn,
deposes and says that:

(1) He/She _____ is

(Owner, Partner, Officer, Representative or Agent)

of _____, the
Bidder that has submitted the attached Bid or Bids;

(2) He/She is fully informed respecting the preparation and contents of the attached Bid and of all pertinent circumstances respecting such Bid;

(3) Such Bid is genuine and is not a collusive or sham Bid;

(4) Neither the said Bidder nor any of its officers; partners, owners, agents, representatives, employees or parties in interest, including this affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly, with any other Bidder, firm or person to submit a collusive or sham Bid in connection with the Contract for which the attached Bid has been submitted or to refrain from bidding in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication of conference with any other Bidder, firm or person to fix the price or prices in the attached Bid or of any other Bidder, or to fix any overheld profit or cost element of the Bid price or the Bid price of any other Bidder, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the City of Reading or any person interested in the proposed Contract;

(5) The price or prices quoted in the attached Bid are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant; and,

(6) Neither the said Bidder nor any of its officers, partners, owners, agents or parties in interest, have any interest, present or prospective, that can be reasonably construed to result in a conflict of interest between them and the City of Reading, which the Bidder will be required to perform.

I state that _____
(Name of Firm)

Understands and acknowledges that the above representations are material and important, and will be relied on by the City of Reading in awarding the Contract(s) for which this Bid is submitted. I understand and my firm understands that any misstatement in this Affidavit is and shall be treated as fraudulent concealment from the City of Reading of the true facts relating to the submission of bids for this Contract.

(Name and Company Position)

SWORN TO AND SUBSCRIBED
BEFORE ME THIS _____ DAY
OF _____, 20____

Notary Public

My Commission Expires:

PROVIDER'S CERTIFICATION OF NON-INDEBTEDNESS TO THE CITY OF READING

Provider hereby certifies and represents that Provider and Provider's parent company(ies) and subsidiary(ies) are not currently indebted to the City of Reading (the "City"), and will not at any time during the term of this Contract (including any extensions or renewals thereof) be indebted to the City, for or on account of any delinquent taxes, liens, judgments, fees or other debts for which no written agreement or payment plan satisfactory to the City has been established. In addition to any other rights or remedies available to the City at law or in equity, Provider acknowledges that any breach or failure to conform to this certification may, at the option of the City, result in the withholding of payments otherwise due to Provider and, if such breach or failure is not resolved to the City's satisfaction within a reasonable time frame specified by the City in writing, may result in the offset of any such indebtedness against said payments and/or the termination of this Contract for default (in which case Provider shall be liable for all excess costs and other damages resulting from the termination).

Name of Provider

By: _____

Authorized Signatory

Title: _____

President or Vice President

Attest: _____

NON DISCRIMINATION STATEMENT

The undersigned hereby certifies that it shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, handicap, familial status, or national origin. The undersigned shall take affirmative action to insure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, handicap, familial status, or national origin.

BIDDER

TITLE

INDEMNITY AGREEMENT & HOLD HARMLESS

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned has entered into a contract with the CITY OF READING, dated _____, 20 __, providing for the

_____ City of Reading, Pennsylvania.

NOW, THEREFORE, in consideration of the award of said contract to the undersigned, _____, as well as in further consideration of the sum of ONE DOLLAR (\$1.00) in hand paid to the said _____ by the City of Reading, receipt whereof is hereby acknowledged, the said _____ agrees to indemnify and save harmless the CITY OF READING, its officers, agents, servants, and employees against any and all loss, damage, costs and expenses which the said CITY may hereafter suffer, incur, be put to or pay by reason of any bodily injury (including death) or damage to property arising out of any act or omission in performance of the work undertaken under the aforesaid contract.

EXECUTED this ____ day of _____, 20__.

By: _____

Title: _____

ATTEST:

(Title)

STIPULATION AGAINST LIENS

WHEREAS, _____, hereinafter called the CONTRACTOR, has entered into a CONTRACT, dated _____, 20____, with _____ hereinafter called the CITY, to provide materials and perform labor necessary for the manufacture and furnishing of the:

as set forth in the CONTRACT DOCUMENTS as prepared by the City of Reading.

NOW, THEREFORE, it is hereby stipulated and agreed by and between the said parties, as part of the said CONTRACT, and for the consideration therein set forth, that neither the undersigned CONTRACTOR, any SUBCONTRACTOR or material man, nor any other person furnishing labor or materials to the said CONTRACTOR under this CONTRACT shall file a lien, commonly called a mechanic's lien, for WORK done or materials furnished for the above manufacture.

This stipulation is made and shall be filed with the Berks County Prothonotary within ten (10) days after execution, in accordance with the requirements of Section 1402 of the Mechanics Lien Law of 1963 of the Commonwealth of Pennsylvania in such case provided.

IN WITNESS WHEREOF, the parties hereto have caused the signature of their proper officers to be affixed thereto on this _____ day _____ of 20____ .

(CITY OF READING)

ATTEST:

BY: _____

TITLE: _____

BY: _____

TITLE: _____

(CONTRACTOR)

ATTEST:

BY: _____

TITLE: _____

BY: _____

TITLE: _____

BY: _____

TITLE: _____

BILL NO. _____ 2014
AN ORDINANCE

**AMENDING CHAPTER 212, FEE SCHEDULE, SECTION 120 PARKS AND RECREATION, OF
THE CITY OF READING CODE OF ORDINANCES TO ADD A RENTAL FEE FOR EGELMAN'S
PARK BASEBALL FIELD**

THE COUNCIL OF THE CITY OF READING HEREBY ORDAINS AS FOLLOWS:

SECTION 1. Chapter 212, Section 120 of the City Code Fee Schedule is amended as follows:

Egelman's Baseball Field before 8 pm:

City resident	\$25 per hour plus \$25 attendant fee
City nonprofit	\$25 per hour plus \$25 attendant fee
School (not RSD)	\$25 per hour plus \$25 attendant fee
Reading School District	No Fee
Reading Recreation Commission	No Fee
City for-profit/non-resident	\$35 per hour plus \$25 attendant fee

Egelman's Baseball Field after 8 pm:

City resident	\$40 per hour plus \$25 attendant fee
City nonprofit	\$40 per hour plus \$25 attendant fee
School (not RSD)	\$40 per hour plus \$25 attendant fee
Reading School District	No Fee
Reading Recreation Commission	No Fee
City for-profit/non-resident	\$55 per hour plus \$25 attendant fee

SECTION 2. All relevant ordinances, regulations and policies of the City of Reading, Pennsylvania not amended per the attached shall remain in full force and effect.

SECTION 3. If any section, subsection, sentence or clause of this ordinance is held for any reason to be invalid such decision shall not affect the validity of the remaining portions of the Ordinance.

SECTION 4. This Ordinance shall be effective ten (10) days after adoption pursuant to City of Reading Home Rule Charter Article II Section 219.

Adopted _____, 2014

Council President

Attest:

City Clerk

(Recreation Commission)

Submitted to Mayor: _____

Date: _____

Received by the Mayor's Office: _____

Date: _____

Approved by Mayor: _____

Date: _____

Vetoed by Mayor: _____

Date: _____

Ordinance notifying RAWA and other parties about the termination of the water lease

**AN ORDINANCE AMENDING THE CITY OF READING CODIFIED ORDINANCES
CHAPTER 1 ADMINISTRATION AND GOVERNMENT SECTION 186, FISCAL
PROVISIONS BY ADDING SECTION 186 R PUBLIC CONSTRUCTION PROJECT LABOR
STABILIZATION AGREEMENT REQUIREMENTS**

WHEREAS the residents and taxpayers of the City of Reading, County of Berks, Commonwealth of Pennsylvania are periodically called upon to, among other things, finance, in whole or in part, the construction, renovation, alteration, modification and/or demolition of site preparation and/or structural improvements to real property situated within the corporate limits of the City. As such, the City of Reading, in its capacity as a market participant, on behalf of its residents and taxpayers, has a particular interest in taking reasonable steps to promote efficiency and establish minimum standards for all such projects and to promote the public interest in assuring the timely and economical undertaking and completion of such projects.

WHEREAS it is in the public interest of the residents and taxpayers of the City of Reading, and in the proprietary interest of the City as a market participant, to, as a condition of the awarding of contracts for construction, renovation, modification, alteration and/or demolition that are financed, in whole or in part, with public funds in the form of direct investment or procurement, grants, loans, public debt, public guaranteed debt, tax abatements, tax forgiveness, tax increment financing and/or similar forms of public and/or public/private financing methodologies, to assure that certain minimum project labor condition stabilization requirements are a specification of all bid solicitations for such projects and are appropriately incorporated into designated contract awards for such projects so as to provide for the resolution of any and all management/labor disputes and/or grievances without lockouts or strikes and establishing minimum project labor condition stabilization standards for all workers employed by all contractors and subcontractors, of all degrees, on such projects.

THE COUNCIL OF THE CITY OF READING HEREBY ORDAINS AS FOLLOWS:

SECTION ONE. Amending the City of Reading Codified Ordinances Chapter 1, Administration and Government Section 186, Fiscal Provision by adding Section 186 R Public Construction Project Labor Stabilization Agreement Requirements.

To assure the implementation of these findings the City Council of the City of Reading, Berks County, Pennsylvania hereby requires, with respect to all projects of construction, renovation, alteration, modification and/or demolition, in the City of Reading, Pennsylvania, financed, in whole or in part, with the funds of a public body, including, but not limited to, direct investment or procurement, grants, loans, public debt, public guaranteed debt, tax abatements, tax forgiveness, tax increment financing and/or similar forms of public and/or quasi-public or public/private financing methodologies the following:

§186.

...

R. Public Construction Project Labor Stabilization Agreement Requirements

- (1) Prior to the solicitation for bids for award of contracts for every construction project, estimated, prior to bid solicitation, to be valued in total and regardless of separate phases or sequences of work to be undertaken, greater than \$1,000,000 whether to be solicited directly by or on behalf of the City of Reading or by or in combination with any third party, the Mayor of the City of Reading will cause to be conducted an independent study of the potential feasibility of requiring a Project Labor Stabilization Agreement to be applicable to all contractors and subcontractors, of every degree, anticipated to be employing workers in the undertaking and completion of the anticipated project.
- (2) The independent study so undertaken shall include, but not be limited to, analysis of the following:
 - (a) the local labor market conditions necessary to undertake and complete the proposed project in a timely fashion in order to meet the public interest in undertaking the project.
 - (b) the benefit to the City of Reading in establishing a Project Labor Stabilization Agreement in promoting:
 - [1] management/labor harmony and cooperation for the duration of the project,
 - [2] standardizing terms and conditions governing the employment of labor on the project,
 - [3] addressing flexibility in work scheduling, shift hours and starting times on the proposed project,
 - [4] securing negotiated adjustments with respect to work rules and staffing requirements on the proposed project,
 - [5] providing comprehensive and standardized mechanisms for the resolution of management/labor disputes that may arise on the project,
 - [6] insuring a reliable source of skilled and experienced craft people for the project, and
 - [7] furthering public policy objectives with respect to improvement of employment opportunities for women and minorities and contracting opportunities for minority business enterprises and women's business enterprises.
 - (c) the possible impact of lockouts and/or strikes on the timely undertaking and completion of the proposed project
- (3) The independent study will provide a recommendation regarding whether or not a Project Labor Stabilization Agreement will serve the proprietary interest City of Reading with respect to the individual project proposed to be undertaken. The City of Reading, under the auspices of the office of the Mayor of the City of Reading, may request the entity undertaking the independent study required by this paragraph to

analyze such other factors as are reasonably deemed appropriate to further the implementation of the requirements of this Ordinance.

- (4) If a study commissioned under section 1-3 is completed and the study recommends the utilization of a Project Labor Stabilization Agreement, then the City may require that any request for proposals or solicitation of bids shall include bid specifications that require successful construction contractor bidders, of every degree, to be bound by a Project Labor Stabilization Agreement with the regional Building and Construction Trades Council having jurisdiction over the Reading, Pennsylvania geographic area and that is affiliated with the Pennsylvania State Building and Construction Trades Council.
- (5) Solicitation of bids for award of contracts for all such projects estimated prior to bid solicitation to be valued in total, and regardless of separate phases or sequences of work to be undertaken, greater than \$250,000 whether to be solicited by or on behalf of the City of Reading or by or in combination with the City of Reading and any third party shall specify, among other requirements, all of the contract condition requirements of this Ordinance when the independent study required by this Ordinance recommends the specification of a Project Labor Stabilization Agreement to serve the public interest of the City of Reading.
- (6) As a condition of the award of any contract specifying a Project Labor Stabilization Agreement, the responsible and responsive bidder(s) for any project shall within sixty (60) days of the date it is deemed by the City of Reading to be the conditionally designated responsive and responsible bidder for the project, shall, in good faith, negotiate a Project Labor Stabilization Agreement with the Regional Building and Construction Trades Council having geographic jurisdiction over the Reading Pennsylvania geographic area and affiliated with the Pennsylvania State Building and Construction Trades Council, that establishes minimum wages, hours, employee benefits and other terms and conditions of employment for all workers in all trades and/or crafts anticipated to be required for the undertaking of the project and applicable to all contractors and subcontractors, of every degree, that will provide any labor, directly or indirectly on the project.
- (7) No final contract award for any project subject to the Project Labor Stabilization Agreement requirements of this section may be made to any contractor or subcontractor prior to the completion of a Project Labor Stabilization Agreement. In the event that such a Project Labor Stabilization Agreement is not successfully concluded and completed within the sixty day period required above, the contractor or contractors conditionally determined to be the designated responsive and responsible bidder will conclusively be presumed to be non-responsive and/or non-responsible and removed from the list of responding bidders for the project.
- (8) In the event that a bidder is deemed to be non-responsive and/or non-responsible pursuant to the terms of this Ordinance, the entity soliciting bids for the project shall be directed to utilize the procedures of this Ordinance for the purpose of making a conditional award of a contract for the project to the next lowest responsive and responsible bidder.

SECTION 3. This Ordinance shall be effective ten (10) days after adoption pursuant to City of Reading Home Rule Charter Article II Section 219.

Adopted _____, 2014

Council President

Attest:

City Clerk

Submitted to Mayor: _____

Date: _____

Received by the Mayor's Office: _____

Date: _____

Approved by Mayor: _____

Date: _____

Vetoed by Mayor: _____

Date: _____

**AN ORDINANCE AMENDING THE CITY OF READING CODIFIED ORDINANCES
CHAPTER 1 ADMINISTRATION AND GOVERNMENT SECTION 186, FISCAL
PROVISIONS BY ADDING SECTION 186 R PUBLIC CONSTRUCTION PROJECT LABOR
STABILIZATION AGREEMENT REQUIREMENTS**

WHEREAS the residents and taxpayers of the City of Reading, County of Berks, Commonwealth of Pennsylvania are periodically called upon to, among other things, finance, in whole or in part, the construction, renovation, alteration, modification and/or demolition of site preparation and/or structural improvements to real property situated within the corporate limits of the City. As such, the City of Reading, in its capacity as a market participant, on behalf of its residents and taxpayers, has a particular interest in taking reasonable steps to promote efficiency and establish minimum standards for all such projects and to promote the public interest in assuring the timely and economical undertaking and completion of such projects.

WHEREAS it is in the public interest of the residents and taxpayers of the City of Reading, and in the proprietary interest of the City as a market participant, to, as a condition of the awarding of contracts for construction, renovation, modification, alteration and/or demolition that are financed, in whole or in part, with public funds in the form of direct investment or procurement, grants, loans, public debt, public guaranteed debt, tax abatements, tax forgiveness, tax increment financing and/or similar forms of public and/or public/private financing methodologies, to assure that certain minimum project labor condition stabilization requirements are a specification of all bid solicitations for such projects and are appropriately incorporated into designated contract awards for such projects so as to provide for the resolution of any and all management/labor disputes and/or grievances without lockouts or strikes and establishing minimum project labor condition stabilization standards for all workers employed by all contractors and subcontractors, of all degrees, on such projects.

THE COUNCIL OF THE CITY OF READING HEREBY ORDAINS AS FOLLOWS:

SECTION 1. Amending the City of Reading Codified Ordinances Chapter 1, Administration and Government Section 186, Fiscal Provision by adding Section 186 R Public Construction Project Labor Stabilization Agreement Requirements.

To assure the implementation of these findings the City Council of the City of Reading, Berks County, Pennsylvania hereby requires, with respect to all projects of construction, renovation, alteration, modification and/or demolition, in the City of Reading, Pennsylvania, financed, in whole or in part, with the funds of a public body, including, but not limited to, direct investment or procurement, grants, loans, public debt, public guaranteed debt, tax abatements, tax forgiveness, tax increment financing and/or similar forms of public and/or quasi-public or public/private financing methodologies the following:

§186.

...

R. Public Construction Project Labor Stabilization Agreement Requirements

- (1) Prior to the solicitation for bids for award of contracts for every construction project, estimated, prior to bid solicitation, to be valued in total and regardless of separate phases or sequences of work to be undertaken, greater than \$5,000,000 whether to be solicited directly by or on behalf of the City of Reading or by or in combination with any third party, the Mayor of the City of Reading will cause to be conducted an independent study of the potential feasibility of requiring a Project Labor Stabilization Agreement to be applicable to all contractors and subcontractors, of every degree, anticipated to be employing workers in the undertaking and completion of the anticipated project.
- (2) The independent study so undertaken shall include, but not be limited to, analysis of the following:
 - (a) the local labor market conditions necessary to undertake and complete the proposed project in a timely fashion in order to meet the public interest in undertaking the project.
 - (b) the benefit to the City of Reading in establishing a Project Labor Stabilization Agreement in promoting:
 - [1] management/labor harmony and cooperation for the duration of the project,
 - [2] standardizing terms and conditions governing the employment of labor on the project,
 - [3] addressing flexibility in work scheduling, shift hours and starting times on the proposed project,
 - [4] securing negotiated adjustments with respect to work rules and staffing requirements on the proposed project,
 - [5] providing comprehensive and standardized mechanisms for the resolution of management/labor disputes that may arise on the project,
 - [6] insuring a reliable source of skilled and experienced craft people for the project, and
 - [7] furthering public policy objectives with respect to improvement of employment opportunities for women and minorities and contracting opportunities for minority business enterprises and women's business enterprises.
 - (c) the possible impact of lockouts and/or strikes on the timely undertaking and completion of the proposed project.
- (3) The independent study will provide a recommendation regarding whether or not a Project Labor Stabilization Agreement will serve the proprietary interest City of Reading with respect to the individual project proposed to be undertaken. The City of Reading, under the auspices of the office of the Mayor of the City of Reading, may request the entity undertaking the independent study required by this paragraph to

analyze such other factors as are reasonably deemed appropriate to further the implementation of the requirements of this Ordinance.

- (4) If a study commissioned under section 1-3 is completed and the study recommends the utilization of a Project Labor Stabilization Agreement, then the City may require that any request for proposals or solicitation of bids shall include bid specifications that require successful construction contractor bidders, of every degree, to be bound by a Project Labor Stabilization Agreement with the regional Building and Construction Trades Council having jurisdiction over the Reading, Pennsylvania geographic area and that is affiliated with the Pennsylvania State Building and Construction Trades Council.
- (5) Solicitation of bids for award of contracts for all such projects estimated prior to bid solicitation to be valued in total, and regardless of separate phases or sequences of work to be undertaken, greater than \$1,000,000, whether to be solicited by or on behalf of the City of Reading or by or in combination with the City of Reading and any third party shall specify, among other requirements, all of the contract condition requirements of this Ordinance when the independent study required by this Ordinance recommends the specification of a Project Labor Stabilization Agreement to serve the public interest of the City of Reading.
- (6) As a condition of the award of any contract specifying a Project Labor Stabilization Agreement, the responsible and responsive bidder(s) for any project shall within sixty (60) days of the date it is deemed by the City of Reading to be the conditionally designated responsive and responsible bidder for the project, shall, in good faith, negotiate a Project Labor Stabilization Agreement with the Regional Building and Construction Trades Council having geographic jurisdiction over the Reading Pennsylvania geographic area and affiliated with the Pennsylvania State Building and Construction Trades Council, that establishes minimum wages, hours, employee benefits and other terms and conditions of employment for all workers in all trades and/or crafts anticipated to be required for the undertaking of the project and applicable to all contractors and subcontractors, of every degree, that will provide any labor, directly or indirectly on the project.
- (7) No final contract award for any project subject to the Project Labor Stabilization Agreement requirements of this section may be made to any contractor or subcontractor prior to the completion of a Project Labor Stabilization Agreement. In the event that such a Project Labor Stabilization Agreement is not successfully concluded and completed within the sixty day period required above, the contractor or contractors conditionally determined to be the designated responsive and responsible bidder will conclusively be presumed to be non-responsive and/or non-responsible and removed from the list of responding bidders for the project.
- (8) In the event that a bidder is deemed to be non-responsive and/or non-responsible pursuant to the terms of this Ordinance, the entity soliciting bids for the project shall be directed to utilize the procedures of this Ordinance for the purpose of making a conditional award of a contract for the project to the next lowest responsive and responsible bidder.

SECTION 2. This Ordinance shall be effective ten (10) days after adoption pursuant to City of Reading Home Rule Charter Article II Section 219.

Adopted _____, 2014

Council President

Attest:

City Clerk

Submitted to Mayor: _____

Date: _____

Received by the Mayor's Office: _____

Date: _____

Approved by Mayor: _____

Date: _____

Vetoed by Mayor: _____

Date: _____

R E S O L U T I O N N O._____

THE COUNCIL OF THE CITY OF READING HEREBY RESOLVES AS
FOLLOWS:

That Joseph Amprey is reappointed to the Board of Ethics with a term ending
May 12, 2015

Adopted by Council_____, 2014

Francis G. Acosta
President of Council

Attest:

Linda A. Kelleher
City Clerk

R E S O L U T I O N N O._____

THE COUNCIL OF THE CITY OF READING HEREBY RESOLVES AS
FOLLOWS:

That Cynthia LaSota is reappointed to the Historic Architectural Review Board
with a term ending May 12, 2019

Adopted by Council_____, 2014

Francis G. Acosta
President of Council

Attest:

Linda A. Kelleher
City Clerk

RESOLUTION NO. _____ 2014

CONFIRMING NICK WOOTEN AS DIRECTOR OF FIRE AND RESCUE SERVICES FOR THE CITY OF READING IN ACCORDANCE WITH ARTICLE VI, SECTION 603 OF THE CITY OF READING HOME RULE CHARTER, AS AMENDED.

WHEREAS, City of Reading Mayor Vaughn D. Spencer has recommended the hiring of Nick Wooten as Director of Fire and Rescue Services; and

WHEREAS, Mayor Vaughn D. Spencer is confident in the capabilities of Nick Wooten and his ability to perform the duties and responsibilities of the Director of Fire and Rescue Services.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF READING HEREBY RESOLVES AS FOLLOWS:

That Mayor Vaughn D Spencer's recommendation to appoint Nick Wooten as the City's Director of Fire and Rescue Services is hereby confirmed in accordance with Article VI, Section 603 of the City of Reading Home Rule Charter, as amended.

Adopted by Council _____, 2014

President of Council

Attest:

City Clerk