



CITY COUNCIL

Committee of the Whole

Monday, November 9, 2015

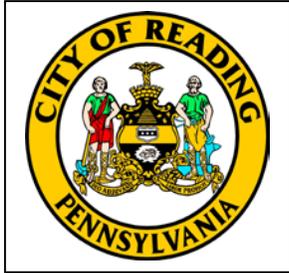
4:45 pm

Agenda

Although Council committee meetings are open to the public, public comment is not permitted at Council Committee of the Whole meetings. However, citizens are encouraged to attend and observe the meetings. Comment from citizens or professionals during the meeting may be solicited on agenda topics via invitation by the President of Council.

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.

- I. United Way – Lt. Monteiro 4:50 pm**
- II. Budget Discussion**
- III. Agenda Review**
- IV. Adjourn**



COMMITTEE of the WHOLE
CITY COUNCIL

MINUTES
October 26, 2015
4:45 P.M.

COUNCIL MEMBERS PRESENT:

S. Marmarou, D. Sterner, D. Reed, M. Goodman-Hinnershitz, C. Daubert, J. Slifko

OTHERS PRESENT:

L. Kelleher, S. Katzenmoyer, D. Cituk, R. Johnson, C. Snyder, C. Younger, C. Zale, W. Stoudt, P. Edelman, K. Talbot, D. Pottiger, B. Zimmerman

The Committee of the Whole meeting was called to order at 4:50 pm by Ms. Reed.

I. Penn Vest Loan Ordinance

Mr. Edelman stated that Council has already approved the loan. He stated that this ordinance is required to remain in compliance with the Debt Act.

Mr. Waltman arrived at this time.

Mr. Edelman explained that passing this ordinance completes the necessary Council actions. He stated that the loan is for a total of \$121 million with a 1% fixed interest rate for 20 years. He stated that the loan guarantees include both tax revenue and sewer revenue and that this is a straight-forward transaction.

Ms. Snyder questioned when draw-downs for the loan would begin. Mr. Edelman stated that he is working closely with Penn Vest and that closing will be in late February or early March 2016. He stated that the loans are contingent on the bid results as Penn Vest must review the contracts prior to closing.

Mr. Waltman questioned if the Inter-Municipal Agreements will be an issue. Mr. Edelman stated that they will review the existing agreements. Mr. Pottiger stated that some documents have already been submitted for review.

Mr. Edelman stated that at this point, the City has no obligation.

Mr. Waltman questioned the rate of the loan at market value. Mr. Edelman estimated that it would be over 4%.

Mr. Slifko questioned if the City draws the funds down as needed. Mr. Edelman stated that Penn Vest can also advance funds when large amounts are needed. He stated that the interest will start accruing when funds are used. He stated that they are very clean transactions.

Ms. Goodman-Hinnershitz questioned who would draw the funds. Mr. Pottiger stated that it would be Josias Sorel, the City's project accountant.

Mr. Johnson expressed the belief that the City would expend the funds and would be reimbursed by Penn Vest. Mr. Edelman agreed.

Mr. Waltman stated that it is illegal for the City to make more money than they would pay. Mr. Edelman agreed and stated that there are restrictions.

Mr. Sterner stated that Council passed a resolution not to accept bids with Project Labor Agreement language. He questioned how the loans would be affected if the bids are rejected by Council. Mr. Edelman stated that rejecting the bids would simply reschedule the closing date and delay the project.

Ms. Reed questioned if delays would impact the interest rate. Mr. Edelman stated that it would not.

Ms. Snyder stated that it may be possible to close in March even if there is another rebid of the project.

Mr. Zale questioned if there is a time limit to close. Mr. Edelman stated that the latest closing can occur is one year after the City's commitment which would be April 2015 for the liquids project and July 2015 for the solids project. He stated that Penn Vest can provide extensions if necessary.

Mr. Johnson questioned why the loan is guaranteed by both tax revenue and sewer revenue. Mr. Edelman stated that this is the traditional Penn Vest loan guarantee. Mr. Cituk stated that the City guarantees sewer debt. Mr. Pottiger agreed that this is standard for Penn Vest transactions.

Mr. Edelman left the meeting at this time.

II. Budget Review

Mr. Zale reviewed the line item changes made to date.

- Human Relations Commission (HRC)

Mr. Zale reviewed the line items. He stated that it is an overall 2% reduction from 2015. He explained that the salary impact is due to changing one position from full time to part time.

Ms. Talbot explained that the HRC expenses are covered by grant funding.

Ms. Curran-Myers arrived at this time.

Ms. Goodman-Hinnershitz questioned if the work load was increasing. Ms. Talbot stated that it has increased tremendously.

Ms. Goodman-Hinnershitz expressed the belief that the water hardship fund work would increase more in 2016 and that this needs to be kept in mind moving forward. She requested a report showing the monthly activity of the water hardship fund since its inception. Ms. Talbot stated that she will prepare this report. She explained that the water hardship fund is a combination of grants and write offs and that the program was recently expanded to help those in collection.

Ms. Goodman-Hinnershitz stated that this is a very complex issue. She stated that many residents are being referred to the water hardship fund rather than working on a payment plan or paying their bill.

Ms. Talbot left the meeting at this time.

III. Riparian Buffer and Alternative Energy Zoning Ordinance Amendments

Ms. Curran-Myers stated that she was unprepared to respond to the concerns raised by Mr. Miller at the public hearing as she felt they had already been addressed. She explained that work on these amendments has been ongoing for the last three years.

Ms. Curran-Myers stated that the Alternative Energy amendment would streamline the process for system installation. She stated that an entire session of a One Stop Shop was dedicated to discussions with the City's trades, preservation, planning and zoning staff. She stated that input from these professionals was included.

Ms. Curran-Myers explained that the amendments have gone through the formal review process two times. She stated that many comments were made by both the City and County Planning Commissions the first time and that further changes were made. She stated that the comments from the second review were generally editorial and that the City Planning Commission passed resolutions at its August meeting recommending approval of the Riparian Buffer and Alternative Energy amendments. She stated that she voluntarily withdrew the Steep Slope amendment as more work is needed. Work on the Steep Slope amendment continues.

Ms. Curran-Myers stated that both of these amendments tie into the draft Comprehensive Plan and that they will assist the City with its MS4 requirements.

Ms. Curran-Myers stated that the reference to small projects outside the planning process will be handled by Zoning staff and the Zoning Hearing Board as necessary as these are zoning amendments.

Ms. Curran-Myers stated that the EAC worked with Ms. Hoag to plot the Riparian Buffer on a map. She stated that the map results were unusable and that this would overly complicate the issue. She expressed the belief that water can easily be seen and the buffer measured and that maps become outdated as streams move. She stated that the definition used is typical language but that if there is a real concern a definition of ditch can be added to clarify.

Ms. Goodman-Hinnershitz stated that as an older city, most of the streams have been confined and move through the storm water system. Ms. Curran-Myers agreed and stated that this amendment does not apply to those water courses.

Ms. Goodman-Hinnershitz thanked the EAC for their work.

Ms. Curran-Myers explained that variances are not relative to this content as the variance rules and process are consistent with other zoning variances.

Mr. Johnson questioned if the measurement would start at the bank of the water. Ms. Curran-Myers stated that it starts at the bank, not the bed.

Mr. Johnson questioned how combined heat and power systems would be addressed. Ms. Curran-Myers stated that these systems are not addressed by the Alternative Energy amendment. She stated that generally these systems are considered HVAC systems and would be governed by that building code. She stated that heat pumps are included in the amendment but that there are too many types of combined systems to address them individually.

Mr. Waltman encouraged the EAC to monitor and measure the effectiveness of the amendments and to report the results to Council. He agreed that the City should encourage smart stewardship of resources without impeding property rights. Ms. Curran-Myers agreed and stated that the EAC will be working on education and outreach.

Mr. Marmarou questioned if other PA communities have these regulations. Ms. Curran-Myers stated that there are many. She stated that the Alternative Energy amendment simplifies the installation process and ensures their use.

Mr. Sterner questioned if the Alternative Energy amendment mandates the use of these systems. Ms. Curran-Myers stated that it is not a mandate.

Ms. Curran-Myers left the meeting at this time.

IV. Budget Review (continued)

- Citizen Service Center (CSC)

Mr. Zale stated that there are ten full time employees in the CSC. He stated that O & E Pension reductions are occurring overall.

- Purchasing

Mr. Zale stated that there is one full time and two part time positions in purchasing. He explained that the reduction in Maintenance Agreements is due to the expiration of the Police Motorola agreement and moving to the County radio system.

- Law

Mr. Zale stated that there are six full time positions. He explained that one position is paid through Public Works.

Mr. Younger explained that the salary line item increase is due to the recent salary increase for two legal specialists. He stated that the increase in Conferences and Training is to provide training for two legal specialists to work in the federal justice

system. He explained that this line item also pays for licensing and continuing education requirements along with membership to the State and County Bar Associations.

Mr. Waltman questioned 2015 spending in the Contracted Services line item. Mr. Younger explained that there has been no spending in this line to date. He stated that the UGI matter will impact this line item and that it may be needed if other line items go over budget.

Ms. Snyder questioned the line item used for labor counsel. Mr. Younger explained that the Legal Services line item is used for this issue and that approximately \$120,000 has been spent in 2015.

Ms. Snyder reminded all that the IAFF will be going into arbitration in 2016 and that both FOP and AFSCME contracts expire in 2016. Mr. Younger agreed and stated that some expenses will occur in 2017.

Ms. Goodman-Hinnershitz stated that the Open Gov program is very useful.

- Board of Ethics and Charter Board

Mr. Zale stated that both these Boards' budgets are being reduced in 2016.

Ms. Snyder stated that this reduction is based on the spending trend. She stated that the Board of Ethics have minimal billings and that the Charter Board expenses have declined since the complaint process is complete. She expressed the belief that the mediation process will also reduce spending for the Charter Board. She cautioned that spending may increase for both Boards depending on future complaints.

Ms. Goodman-Hinnershitz noted the concern about future complaints but stated that the City cannot continue to spend public dollars on complaints.

Mr. Cituk reminded all that if these Boards go over budget that the City is mandated to cover their expenses.

Ms. Reed agreed but stated that the Boards must spend within reason. She noted the need to work to prevent past legal expenses with no responsible oversight.

Mr. Cituk stated that legal fees are difficult to monitor.

Mr. Waltman requested an update from the legal fee committee when time allows.

Ms. Goodman-Hinnershitz noted the need for policies to be in place and a culture that follows policy.

Mr. Waltman suggested that the Finance Committee work on these policies after the budget is finalized. He expressed the belief that both sides of the Charter Board issue overspent without approvals and that the policies must be clear.

Ms. Goodman-Hinnershitz requested this item be placed on the parking lot for discussion at an upcoming Finance Committee meeting.

- Non Departmental

Mr. Zale stated that the biggest change in this area for 2016 is the loss of the contingency fund. He stated that there is nothing to offset overspending or emergencies beginning in 2016.

Mr. Cituk stated that there is access to the fund balance with Council approval. Ms. Snyder disagreed as the fund balance must be used to balance the budget.

Mr. Waltman requested that BCTV be placed in the parking lot. He also expressed the belief that the intent of Council was to provide consistent funding for the library. He stated that large fluctuations are not healthy and he suggested that the parking lot include a way to fund the library through a dedicated millage.

Ms. Reed stated that the library will have a large reduction in 2016. She questioned if designating millage for the library would result in tax increases. Mr. Waltman stated that it would not need to be a tax increase.

Ms. Reed stated that funding for BCTV is always an issue for her. She stated that the City now live streams meetings and that it is paying for media coverage as well. She stated that BCTV programming is not high quality, has issues with rebroadcasting, and caller problems. She expressed the belief that BCTV served a purpose in the past but that now most are moving to other technologies. She suggested that "In Your District" programming could be done internally. She questioned what the City gets for their money as the new studio is now much smaller. She noted the need for BCTV to increase their fundraising and to stop relying on City funding.

Ms. Goodman-Hinnershitz suggested that all agencies which receive City funding should be given benchmarks and performance goals. She expressed the belief that BCTV has minimal programming and that they are not keeping up with technology.

She noted the need to hold them accountable. She agrees that BCTV and the library should be placed in the parking lot for further discussions.

Mr. Slifko suggested that the library appear before Council for discussions. Mr. Waltman agreed and stated that BCTV would also be invited if there is time.

Ms. Goodman-Hinnershitz suggested that Council look at outcomes during presentations. Mr. Waltman agreed and stated that the best results come when Council can have direct interaction on issues.

Mr. Daubert noted the need for Council to understand where the City gets the biggest bang for its buck. He noted the need for all to keep up with technology and that there are TV viewing apps available.

Mr. Cituk reminded all that the County has not increased library funding for many years and that they are also allowing other County libraries to fail and that they are not following the recommendations made in the study. He recommended that the County be approached for additional library funding.

Ms. Reed noted the need for the City to look at the best way it can serve its citizens. She stated that all residents who now use satellite dishes do not receive local BCTV programming. She noted the need to study the number of households which have gone off the local cable system and adjust funding accordingly.

Ms. Kelleher suggested that a portion of the current millage for the Shade Tree Commission be allocated to the library.

Ms. Snyder questioned if the Honeywell item is in this budget area. Mr. Zale stated that it is in the Public Works budget area.

Mr. Johnson agreed that agencies should be held accountable. He also noted the need to specify who performs maintenance so that Public Works is not always impacted by other organizations.

- Business Privilege Tax (BPT)

Ms. Zimmerman stated that the CSC is working to identify and contact businesses that are delinquent on their BPT. She stated that the businesses are given 60 days to respond and that some owe hundreds of thousands of dollars. She stated that if there is no response, the City will be filing civil action with the District Justices.

Mr. Waltman questioned the amount of uncollected revenue. Ms. Zimmerman stated that she does not have a firm amount at this time. She noted the need for the City to be aggressive with the 3,000 businesses it knows about and also about finding businesses that are currently unlicensed. She stated that she will provide a report to Council.

Mr. Waltman stated that the City offered an amnesty program in the past. Ms. Zimmerman agreed but stated that many businesses are still delinquent.

Mr. Waltman questioned if this aggressive collection approach was included in the 2016 budget. Mr. Pottiger stated that this is a recent development. He described one business that owes the City \$140,000 in delinquent taxes.

Mr. Waltman suggested that this item be placed in the parking lot for an estimated revenue. He suggested that there may not need to be a property tax increase if enough delinquent revenue can be found.

Ms. Goodman-Hinnershitz cautioned all that the City must be prepared for the upcoming transition.

Ms. Zimmerman requested that Councilors inform her when they notice new businesses opening.

Mr. Waltman agreed and stated that all should be looking for the posted license. He noted the need for Fire, Police, Codes, Trades, etc to be mindful when doing inspections and follow up with Ms. Zimmerman. Ms. Zimmerman agreed and stated that she will then work with Berks EIT.

Mr. Pottiger stated that he also reviews the Reading Eagle Business Weekly for new businesses which have opened in the City. Ms. Zimmerman stated that she follows up with these businesses.

Mr. Pottiger stated that he is also working with Mr. Coleman to ensure that all businesses contracted to do work for the City are paying their BPT and all other taxes and fees. He suggested that this be a pre-requisite for future contract awards. He stated that Ms. Cedeno's work will focus on BPT collection.

Mr. Slifko suggested that Mr. Pottiger review BPT policies and procedures of other cities who successfully collect it.

Ms. Kelleher questioned if Ms. Zimmerman received reports from Zoning when permits are granted for new businesses. Ms. Zimmerman stated that she must request reports. Ms. Snyder stated that she will follow up on this issue.

Mr. Waltman stated that the City cannot leave revenue on the table.

Ms. Goodman-Hinnershitz stated that this also effects State revenue.

Mr. Zale stated that the unemployment line item may be effected if there is a lot of employee turnover during the upcoming transition.

Ms. Zimmerman, Mr. Stoudt, Mr. Zale, and Mr. Pottiger left the meeting at this time.

V. Agenda Review

Mr. Waltman reminded all that a resolution regarding the COA appeal of 233 Spring St will be added to this evening's agenda.

Council reviewed this evening's agenda including:

- Resolution issuing an emergency to repair the damaged storm water system

Mr. Johnson stated that this approval will grant Public Works the ability to follow emergency purchasing policies for the necessary repairs.

Ms. Goodman-Hinnershitz suggested that Mr. Johnson educate the public on this work. Mr. Johnson stated that he will add information to the website.

- Resolution approving the COA for 233 Spring St

Mr. Slifko explained that there are conditions applied and that the work will look historical but will be made of different materials. He stated that the conditions allow St. Margaret's to save funds.

Mr. Daubert agreed with the conditions and thanked Mr. Slifko for his work on this issue. Ms. Reed concurred.

Ms. Goodman-Hinnershitz expressed the belief that the HARB decision is well intentioned but that this is an excellent compromise. She stated that a church in the unit block of S 11th St is undergoing major repairs. She stated that this is in the Penn's Commons District and questioned if a COA was obtained.

- Ordinance reauthorizing DID

Mr. Daubert questioned when the reauthorization would come out of pending for Council action. Mr. Waltman suggested that it be in late November or early December to determine the number of objections.

Mr. Daubert noted the need for DID to renegotiate all their leases. Mr. Waltman stated that they must still wait to see if they are approved by property owners.

Ms. Reed stated that Council action would show DID that Council is taking a formal stand to support them. She noted that the City must also work on budget adjustments to maintain the ambassador program if DID is not reauthorized. She expressed the belief that Council should act to show residents that the City supports DID.

Ms. Goodman-Hinnershitz stated that property owners can still vote after Council action. She stated that objections cannot be forecasted but that the body can take action. She stated that the property owners are upset about the process, not the services.

Ms. Snyder stated that the ordinance has the agreement attached. She stated that the agreement includes the City's five year funding. She suggested that the specific amount be removed and a clause inserted about City funding. She also suggested that the Main Street section be amended before the ordinance is enacted by Council.

Mr. Sterner stated that he was told by Mr. Broad that the Administration agreed to \$110,000 and that Council reduced it to \$100,000. Ms. Snyder stated that this is correct. She stated that the \$100,000 contribution was discussed at a Finance Committee meeting.

Mr. Sterner noted the need to keep the positive momentum downtown.

Ms. Reed agreed but stated that the organization can be leaner administratively.

Mr. Sterner expressed the belief that the negative comments heard at the hearing were from Latino owners who feel disenfranchised. Ms. Goodman-Hinnershitz cautioned not to make this a cultural issue.

Mr. Daubert stated that he was struck by the number of comments about the State controlled process rather than the services provided. Ms. Goodman-Hinnershitz agreed and suggested Council send a resolution to the State.

Mr. Waltman suggested that the vote on the ordinance occur in two weeks. He stated that there are many who are disgruntled and that they were very sincere in their comments. He suggested that Council work to mediate the issues to find positive solutions and compromise. He stated that there is always room for improvement.

Ms. Goodman-Hinnershitz stated that there is also misunderstanding about who does what downtown. Ms. Reed agreed and stated that some events are privately funded and organized.

Mr. Waltman stated that when that many people attend a hearing, there are real issues.

Ms. Goodman-Hinnershitz suggested that these concerns need to be addressed. She suggested action at the next meeting after Ms. Snyder's amendments have been made. Ms. Snyder stated that the amendment will be prepared in time for the next meeting.

- Ordinance prohibiting commercial vehicles from parking in all rights of way

Mr. Waltman questioned the amount of time allowed for loading/unloading. Ms. Kelleher stated that it is one hour.

Ms. Snyder stated that the Administration believes this is unduly harsh. She suggested that if tractor trailers are the problem that they be addressing specifically. She stated that there are many residents who own commercial vehicles for their business. Ms. Kelleher explained that this is enforced on a complaint basis and that the officer has discretion not to ticket the vehicle.

Mr. Waltman questioned the definition of commercial vehicle. Ms. Kelleher stated that it is any vehicle over 10,000 gross vehicle weight (GVW).

Ms. Reed stated that she has had an outpouring of constituent support for this prohibition. She stated that this is a problem in many neighborhoods. Parking large vehicles impedes sight lines and turning issues. She stated that there has been a very vocal positive reaction to this and that she is glad it is moving forward.

Mr. Johnson stated that he discussed this prohibition with Chief Heim. He stated that he agrees that large vehicles do not belong on City streets. However, some large pick-up trucks (heavy duty Rams, Ford F-250, F-350, etc) exceed 10,000 GVW. He stated that the Chief is not comfortable with selective enforcement.

Ms. Kelleher explained that if the GVW is adjusted, large flat-bed tow trucks are not prohibited and they are also very problematic.

Ms. Goodman-Hinnershitz noted the need to tweak the regulations and vote in two weeks.

Mr. Daubert stated that the flat-bed tow trucks must be addressed.

Mr. Waltman noted the need for the City not to impede on resident's livelihoods. He expressed the belief that not all loading/unloading can occur within one hour.

Mr. Slifko stated that this does not apply to trucks that are loading/unloading.

Mr. Marmarou stated that this has been a large problem for at least five years. He stated that signs don't work. He stated that many trucks are parked on Friday evening and left there until Monday morning and that these drivers are not City residents.

Ms. Reed stated that she received a letter of support from the Humane Society and requested that it be added to the record. She stated that it is very problematic in her District as people are even parking horse trailers in her neighborhoods.

Mr. Johnson expressed agreement with large trucks causing problems. He requested that the GVW be adjusted so that large pick-up trucks are not included.

Ms. Goodman-Hinnershitz noted her agreement with this attempt at regulations. She suggested that they find other areas to park.

Mr. Daubert stated that most of these drivers are not City residents and that it is not the City's responsibility to assist them. Ms. Reed agreed.

Mr. Waltman noted the need to address the issue but that these concerns must also be addressed.

Mr. Johnson stated that he is willing to work with Ms. Kelleher on the issue.

Mr. Slifko stated that there are places that do allow truck parking but that it is not appropriate on City streets.

Mr. Marmarou expressed the belief that the drivers do not want to pay for parking.

Ms. Reed stated that large trucks parking on narrow streets also impedes the flow of traffic. She stated that these vehicles are wider than other autos and that their mirrors are also dangerous. She stated that this is a public safety issue.

The meeting adjourned at 7:00 pm.

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