



COMMITTEE of the WHOLE

CITY COUNCIL

MINUTES
September 14, 2009
5:00 P.M.

COUNCIL MEMBERS PRESENT:

D. Sterner, S. Marmarou, S. Fuhs, M. Baez, M. Goodman-Hinnershitz, V. Spencer

OTHERS IN ATTENDANCE:

L. Kelleher, S. Katzenmoyer, C. Younger, C. Kanezo, W. Rehr, R. Hottenstein

Mr. Spencer called the Committee of the Whole meeting to order at 5:10 p.m.

I. Ordinance – Liberty Fire Station

Chief Rehr noted that the transfer amount is \$1 and that the Liberty will get first offer to buy back the building, the Firefighters Museum will get second offer if Liberty does not wish to purchase the property back from the City.

Ms. Goodman-Hinnershitz and Mr. Marmarou noted the need for the building to be ADA compliant in order to function as a museum. Mr. Fuhs noted that the cost of the elevator will not be born by the City. Chief Rehr noted that this will be accomplished through a grant.

Mr. Fuhs questioned if Chief Rehr agreed to keep the Scuba team located at Liberty. Chief Rehr stated that he suggested they remain.

Chief Rehr informed Council that the passage of this ordinance will allow the City to begin negotiations with Liberty. Liberty must then hold a membership meeting approving the agreement and transfer. It could take several months for the transfer to take place.

Mayor McMahan arrived at the meeting.

Chief Rehr stated that groundbreaking for the new fire station is scheduled for October 1 with a promise of occupancy in 280 days. He stated that the current utilities at Liberty are \$22,000 per year but that would decrease after the fire fighters are no longer stationed there 24/7. He also stated that the money currently being paid to Oakbrook would cease after fire fighters move to their new location.

Mr. Spencer questioned if the building was structurally sound. Chief Rehr stated that a new roof, façade improvements, and a new furnace were recently installed. He stated that the building is structurally sound. He added that the Wannamaker room is currently being renovated back to its original splendor and that new UV sensitive windows have been installed to protect the museum artifacts.

Mr. Spencer questioned if the transfer included 503 and 505 S 5th St. Chief Rehr stated that the homes are not included. He stated that in the past, two additional rooms were added to 501 S 5th St and encroached into the yards of 503 and 505. The area will need to be resurveyed.

Mr. Spencer questioned if there were environmental concerns. He stated that the agreement notes that the City will be responsible for any issues. Chief Rehr stated that there are no current environmental issues. He also stated that the only asbestos in the building was removed during the furnace replacement process.

Mr. Spencer questioned if the Administration supports this transfer. Mayor McMahon stated that the Administration supports the transfer and he noted his hope that the building would be used for neighborhood meetings.

Mr. Waltman arrived at the meeting.

Mr. Spencer questioned if the City would need to increase insurance coverage. Mr. Hottenstein replied that the City has one policy which covers all City properties. Chief Rehr noted that the City already insures this property. He suggested that perhaps the amount insured be increased due to the value of the artifacts.

Mr. Spencer requested the opinion of the Solicitor. Mr. Younger stated that a worst case scenario would involve the discovery of an environmental issue. However, he noted that he was comfortable with the agreement as written.

II. Ordinance – Creating and Funding a Public Arts Commission

Mayor McMahon stated that this ordinance replaces the Fine Arts Board. He stated that the funding source would maintain the current art and be used to finance additional pieces. He stated that other cities allow public input and the integration of functional art. He stated that private developers cannot be mandated to contribute but they are encouraged to participate.

Mr. Waltman noted his belief that art is important but that the 1% is really an additional tax on all public properties. He noted the added expense to City taxpayers if this 1% is added to the cost of the waste water treatment plant and the related projects. He noted that this is not the time for new taxes but supports the idea. Mayor McMahon noted the examples of art incorporated into 645 Penn St.

Mr. Spencer questioned the addition of staff. Mr. Hottenstein stated that these would be volunteers. Mr. Kanezo added that River Place has agreed to fund art worth \$50,000. There is also approximately \$120,000 from the Fine Arts Board in a Redevelopment Authority fund which is slated for public art.

Mr. Spencer questioned if this \$50,000 required City matching funds. Mr. Hottenstein noted that it did.

Mr. Waltman questioned if this 1% would also affect County and Reading School District development projects. Mr. Hottenstein noted that it would.

Ms. Goodman-Hinnershitz stated her belief that this issue needs to be addressed but that another entity may not be needed. Mayor McMahon noted that this new Commission would contain appointments by the Mayor, Council, the Arts Council and local residents.

Ms. Goodman-Hinnershitz questioned the type of art which would be installed. Mayor McMahon noted that the design would be advertised and the public would choose the project to be pursued.

Mr. Spencer stated his belief that this issue should be further discussed after the budget. He noted the negative ramifications of the public concerning the City's financial difficulties – police and fire are laid off and public art funding is required.

Ms. Goodman-Hinnershitz stated that the many murals throughout the City should be considered public art and this fund should also help to maintain them.

Mr. Spencer noted the need for public art to receive the necessary approvals by the City – HARB, zoning, planning, etc.

Mr. Hottenstein noted the Administration's willingness to withdraw this ordinance until 2010.

III. Ordinance – Requesting a Ballot Question Amending the Home Rule Charter

Mr. Hottenstein stated that this amendment would continue the de-layering of management already begun by the Administration. He stated that the City would be able to do more with less and feels that these departments can be combined with the same level of service. He

noted that it will show a \$100,000 annual savings. He noted that the Charter currently requires a Human Resources Director but that this amendment would create the Department of Administrative Services. He noted that similar action is being taken by school districts and smaller municipalities throughout the State. He noted that Mr. Geffken has the background to oversee both departments.

Mr. Spencer noted that the City is lucky to have someone like Mr. Geffken who can oversee both departments. He questioned how this would impact future recruitment after Mr. Geffken's tenure. Mr. Hottenstein stated that other candidates would need the same background.

Mr. Spencer noted the struggle the City has had in filling director positions in the past. He questioned what departments other cities that are larger than Reading use. Mr. Hottenstein noted that he reviewed Reading's peer cities, not those larger than Reading. The peer cities are using the Administrative Services approach.

Mr. Spencer noted his concern that since Reading is larger than most of the peer cities that this would not operate well. He questioned if this position were vacant if all the additional responsibilities would fall on the managing director. Mr. Hottenstein noted that there will be division managers in place if the director position became vacant which would alleviate pressure on the managing director. He stated that staff would be encouraged to continue their education and training so that a succession plan could be in place to promote from within.

Mr. Waltman questioned if these managers are currently in place. Mr. Hottenstein noted that they are in place in the Finance Department but not currently in HR. He stated that there would be no new staff and no pay increases to current staff.

Mr. Waltman noted that addressing all the staff issues at one time would provide a clear idea of the direction the Administration is moving. He noted that Finance has some very large issues to tackle and adding HR may be too much at this time.

Mr. Marmarou questioned if too much would be expected from one director. He noted that Mr. Geffken was brought in to focus on the City's financial condition. Mr. Hottenstein noted that this was discussed with Mr. Geffken during the hiring process and that he feels he can handle both departments.

Mr. Waltman again noted that he would like to know all the personnel changes at one time. He noted that Council needs to assist in educating the public on referendum issues and needs to be comfortable with the change.

Mr. Fuhs noted that Council does not make decisions concerning hiring. He noted that the public will let their opinion be known.

Ms. Goodman-Hinnershitz stated that the public is well educated and a good decision will be made. She suggested it may be time to review the Charter for updates and questioned if there was a timetable for reviews in the Charter. Ms. Kelleher stated that there was not and that a review could occur at any time.

Ms. Kelleher also noted that this amendment would remove the director's qualifications from the Charter. Mr. Hottenstein noted the Administration's belief that the qualifications should be in the Administrative Code.

Mr. Spencer stated that the qualifications were placed in the Charter purposely to avoid inappropriate changes. He noted that the last major review of the Charter ended in the creation of the Charter Board. He noted his belief that another review should not empower an agency without knowing all the economic costs. He noted that City residents should be educated on the amendment issue.

Mr. Waltman noted that the ballot question is unclear. He requested that the language be amended for better understanding and to note that the qualifications of the director will not be included in the Charter.

Mr. Spencer questioned the timetable for the passage of this ordinance. Mr. Hottenstein noted that it is already too late for the November ballot but that it should appear in May.

Mr. Spencer questioned if this would impact the allowable time frame for a person to be named to the position in an acting capacity. Mr. Hottenstein stated that the Solicitor indicated that the acting director can continue to be reappointed as necessary. Mr. Younger stated that that is not accurate. The person appointed has 180 days to remain acting with the possibility of one extension.

Ms. Kelleher noted that there should only need for one extension in this case. She noted that the ballot question must be submitted to the Elections Office by February. Mr. Hottenstein noted the suggested changes and will redraft the ballot question.

IV. Agenda Review

Mr. Spencer announced that 14 citizens were registered to speak at this evening's meeting. He questioned if Council wished to hear these citizens at the end of the agenda.

Ms. Goodman-Hinnershitz stated that due to the sensitivity of this issue, the speakers should be heard at the beginning of the meeting. Council agreed.

Council reviewed this evening's agenda including the following:

- Award of Contract – Kerper's Landing

Mr. Spencer questioned the improvements included in contract. Mr. Jones was contacted via telephone. He stated that the improvements included upgrades to the landing in the river and the loading ramp.

- Award of Contract – GPS data collection

Mr. Spencer noted that this contract would not be awarded to the lowest bidder. He noted the large difference in price range and questioned if Hill Weston was consulted. Mr. Jones noted that Hill was not consulted as this was not part of the waste water treatment plant project but was part of the collection system. He noted that this award could wait until his return to discuss it more fully with Council. This will be discussed as a Committee of the Whole item during the Public Works Committee meeting.

- Award of Contract – southwest fire station

Mr. Waltman questioned the square footage of the new station. Chief Rehr stated that it was just less than 10,000 square feet.

- Ordinance amending the Full Time Position Ordinance by adding a business analyst

Mr. Hottenstein stated the Administration's hope that this ordinance move forward. He noted that this was recommended by the Blue Ribbon Panel to increase efficiency and make other improvements. He noted that a grant application has been sent to DCED for funding for the position for one year.

Mr. Spencer questioned the range of the employment search. Mr. Hottenstein stated that an ad was placed in the Reading Eagle, on the City website and on employment websites such as Monster.com. He noted that several resumes have been received.

Mr. Marmarou questioned if the applicants were local. Mr. Hottenstein stated that he recalled two applicants as being local.

Mr. Spencer questioned if the Administration would be bringing candidates to Council. Mr. Hottenstein stated that the Administration would hire the candidate.

Mr. Spencer stated his opinion that the ordinance should be amended to add Council approval to the hiring process.

Mr. Fuhs questioned where Council would get that authority. Mr. Spencer stated that this is due to this being a new position and the City's current financial situation. He stated he agreed with the concept but has concerns.

Mr. Fuhs stated that Council cannot grant itself authority where it is not given.

Mr. Spencer also noted his concern if only local outreach was done. He stated that it would be good to have an independent viewpoint. Mr. Hottenstein stated that Council does not approve hiring but that the Administration may bring the candidate forward as a courtesy.

Ms. Goodman-Hinnershitz noted the importance to follow defined roles. She noted that Council should not need to approve all hires. She stated that she does not agree with Mr. Spencer's position.

Mr. Spencer noted that Council had, at one time, control of management salaries. He noted the escalation of management salaries after Council approval was removed. He noted that some managers earn almost the same as directors and that these costs need to be controlled. Mr. Hottenstein informed Council that there are union members who earn more than anyone else due to collective bargaining and longevity.

Mr. Fuhs noted that salary creep is problematic throughout the business world. He noted that this issue is difficult to manage everywhere.

Mr. Younger opined that the Administration does hiring and the approval of Council is not necessary.

Mr. Waltman noted that the Charter states that if the Charter is absent on a matter that Council can legislate the issue through ordinance and resolution. This would create the Council authority on hiring. He questioned the receipt of the grant to fund this position. Mr. Hottenstein noted that the Administration would like this position to move forward regardless of the grant.

Mr. Waltman questioned the amount of funding the grant would secure if received. Mr. Hottenstein stated that it would cover the position for one year.

Mr. Waltman stated his belief that every department should work on improvements.

- Resolution entering an agreement with the Reading Phillies regarding capital improvements

Mr. Fuhs stated his belief that the City should not be funding \$1.7 million in stadium improvements for a regional asset. He stated that this money would be better spent on street paving. Mayor McMahon noted that the contract between the City and the Reading Phillies require these improvements.

Mr. Waltman stated that these improvements should have been weighed before Council was approached.

Mr. Fuhs questioned who from the region was assisting the City. He stated that the City was receiving no assistance. He noted his belief that those using the facility should share in the expenses and that ticket prices should be raised.

Ms. Goodman-Hinnershitz noted her concern with the timing in light of the City's financial issues. She stated that the stadium should be sold to the Reading Phillies so that the City has no financial responsibility. She noted the need to prioritize and balance funding needs.

Mayor McMahon noted that patrons of the Reading Phillies use the stadium facilities and then leave the City. He noted that the facility needs work and that he struggled with this decision. He stated that the asset needs to be maintained. It is his opinion that after the recession lifts the City will be able to handle the long term debt.

Mr. Spencer noted that capital improvement funding is being used for this project. He noted that the same could be said for the Pagoda. He noted the need to maintain the infrastructure and agrees with the Mayor's position.

Mr. Fuhs questioned what the Reading Phillies do for the community since there are many families who cannot afford to attend games. Mr. Marmarou noted that they are involved with little league, PAL, the field at Lauer's Park Elementary School, and sponsor many other programs and activities.

- Resolution consenting to \$8.2 million Build America Bond by the Parking Authority for the convention center garage

Mr. Spencer questioned if the funding was in place and this was a City guarantee. Mr. Younger stated that it is.

The meeting adjourned at 6:50 pm.

Respectfully Submitted
Linda A. Kelleher, CMC
City Clerk