

**CITY COUNCIL MEETING
MONDAY, JANUARY 11, 2010**

A regular meeting of City Council was held on the above date for the transaction of general business.

Vaughn D. Spencer, President of Council, called the meeting to order.

The invocation was given by Council President Spencer.

All present pledged to the flag.

ATTENDANCE

Council President Vaughn Spencer
Councilor Francis Acosta, District 1
Councilor Goodman-Hinnershitz, District 2
Councilor Sterner, District 3
Councilor Marmarou, District 4
Councilor Donna Reed, District 5
Councilor J. Waltman, District 6
Mayor T. McMahon
City Auditor D. Cituk
City Solicitor C. Younger
Managing Director R. Hottenstein
City Clerk L. Kelleher
RAWA Executive Director Dean Miller

PROCLAMATIONS AND PRESENTATIONS

A Council Commendation for Volunteer Blood Donor Month was accepted by Carol Graves, Keystone-Miller Center.

PUBLIC COMMENT

No citizens were registered to address Council.

APPROVAL OF AGENDA & MINUTES

Council President Spencer asked City Council to consider the agenda for this meeting and the minutes from the December 28th regular meeting. He noted the need to add an ordinance for introduction that will amend the 2010 Capital Improvement Program.

Councilor Sterner moved, seconded by Councilor Marmarou, to approve the minutes from the December 28th regular meeting and the agenda, as amended, including the legislation listed under the Consent Agenda heading. The motion was approved unanimously.

Consent Agenda Legislation

A. Award of Contract – for free-flowing potassium permanganate, extruded potassium permanganate, 20% sodium permanganate shipped in totes and the 40% sodium permanganate shipped in totes to Brenntag Northeast Inc., who is the low bidder, at the submitted unit prices of \$2.2229/pound, \$6.80/pound, \$7.527/pound and \$16.81/gallon respectively, for a total contract price of \$435,618 (**Purchasing**)

B. Award of Contract - for Audit Services for the Department of Finance to Herbein & Company, Inc., 2763 Century Boulevard, Wyomissing, Pa, 19610 in the amount of \$70,000 for 2010 and \$72,000 for 2011 (**Purchasing**)

C. Resolution No 1-2010 - authorizing the disposition of Financial Interest Statements, 1996, 1999, and 2002 (**Council Staff**)

ADMINISTRATIVE REPORT

Mayor McMahon read the report distributed to Council at the meeting, covering the the following topics:

1. Update on the Recovery Plan preparation by PFM
2. Project to improve the illumination of street lighting from the Penn Street Bridge to North 11th Street
3. Update on the BARTA discussion with the County Commissioners
4. Opening of the Willson Exhibit, featuring the history of the company and their safety products at the Goggleworks

Managing Director Hottenstein updated Council on the Business Analyst's audit of the housing permit process (Codes and Zoning) and the discovery of a backlog of applications and un-cashed checks.

Councilor Sterner inquired if the report is referring to 5500 rental units or rental

properties. Managing Director Hottenstein stated that the report refers to 5500 rental properties.

Councilor Marmarou stated that via memorandum which was distributed in March 2009 ordered employees to cash all checks upon receipt. Managing Director Hottenstein stated that the majority of the checks were dated before the directive was issued. He added that the checks were for zoning permits only. Zoning staff believed that the check could not be cashed until the zoning permit was approved. That process has now been corrected.

Councilor Goodman-Hinnershitz noted that checks are time limited. She inquired how this would be rectified. Mayor McMahon stated that employees now understand the need to cash checks promptly; therefore the process has been corrected. He thanked the City Clerk, Deputy City Clerk and Intern for their assistance to correct the housing permit process.

Councilor Waltman explained that he is experienced in developing Standard Operating Procedures (SOP) and stated that he has never seen a process slip resulting in un-cashed checks being stored in a box for three (3) years. He stressed the need for control check points and tracking to improve this broken process.

Councilor Waltman also expressed his support for the conversations being held by the Mayor and Council President with the County Commissioners to explore a variety of issues.

AUDITOR'S REPORT

City Auditor Dave Cituk read the report distributed to Council at the meeting covering the following topics:

1. Pension Board meeting schedule and membership
2. Update on the receipt of the Snow and Ice Grant
3. Contract Award to Herbein & Co. for the City's external audit
4. Update on the Auditor's future reporting plan

REPORT FROM READING AREA WATER AUTHORITY

Dean Miller, Executive Director of the Reading Area Water Authority (RAWA), distributed a handout describing the history of RAWA. He stated that RAWA remits \$1.4M in lease payments to the City. He stated that RAWA uses 59 City employees.

Mr. Miller explained that RAWA provides water service to twelve (12) municipalities, including Reading, from Ontelaunee Lake, which has a 3.88 billion gallon capacity. He stated that the dam was constructed in 1928 and raised in 1935. He described RAWA's work to maintain the water shed by dredging, removing of invasive plants and protecting the dam.

Mr. Miller stated that the water treatment plant has a 35 MGD (million gallons per day) capacity. The plant currently processes 13 MGD. He highlighted the projects to improve operations at the filtration plant. He also described the projects to improve the main pumping station and the water distribution system, both completed and started.

Mr. Miller also highlighted the planned capital improvements such as improvements to the emergency power sources, SCADA , Leache detection program and the water main rehabilitation and relining. RAWA's total capital budget between 2001 and 2009 was \$17M. He also explained that RAWA is looking to expand water service to Route 61 north, Route 10 south, Route 724 east and North Heidelberg., etc.

Councilor Marmarou inquired if the Route 73 Bridge, part of the Ontelaunee Dam, has been repaired. Mr. Miller stated that the bridge has been reviewed but not improved. He stated that parties are currently considering if the existing bridge should be repaired or improved to code. Councilor Marmarou expressed the belief that the high level of truck traffic on this bridge has caused much of the damage.

Councilor Goodman-Hinnershitz questioned the project on Cotton Street. She stated that the project has caused considerable damage to the street pavement, leaving it almost un-drivable. She stressed the need for repaving streets after the improvement projects are completed.

Councilor Reed expressed gratitude to former RAWA Chair John Ulrich for his strong leadership.

Councilor Goodman-Hinnershitz reminded everyone that the Last Air Bender was shot at the Pagoda and Lake Ontelaunee.

ORDINANCES FOR FINAL PASSAGE

There were no ordinances for final passage.

INTRODUCTION OF NEW ORDINANCES

A. Ordinance - directing the Berks County Board of Elections to place a referendum question before City voters on the 2010 Primary Ballot which would amend the City of Reading Home Rule Charter by eliminating the Departments of Human Resources and Finance and creating the Department of Administrative Services (**Managing Director**)

NOTE: a new version was distributed at the meeting

B. Ordinance - amending the Capital Improvement Program (**Managing Director**)

RESOLUTIONS

A. Resolution No. 2 - 2010 - Reappointing Linda A. Kelleher to the position of City Clerk for a two (2) year term (**Spencer**)

Councilor Marmarou moved, seconded by Councilor Sterner, to adopt Resolution No 2-2010.

Councilor Goodman-Hinnershitz agreed to move ahead with the reappointment but noted the need to review and consider modification of the City Clerk's job description.

Resolution No. 2-2010 was adopted by the following vote:

Yea: Acosta, Goodman-Hinnershitz, Marmarou, Reed, Sterner, Waltman, Spencer, President - 7.

Nay: None - 0.

B. Resolution No. 3-2010 - Appointing City Councilor_____to the position of Vice President of Council for a two (2) year term (**Spencer**)

Councilor Reed moved, seconded by Councilor Goodman-Hinnershitz, to appoint Councilor Goodman-Hinnershitz as Vice President of Council.

Councilor Reed noted the leadership and experience of both Councilor Waltman and Councilor Goodman-Hinnershitz. She expressed concern about the process used to select a Vice President. She also expressed the belief that this appointment was a preconceived decision. She also stressed the need for Councilors to make independent decisions.

Councilor Sterner agreed that both candidates have considerable leadership abilities and skills.

Councilor Waltman stated that his ten (10) year track record has shown his independence on City issues.

The motion to appoint Councilor Goodman-Hinnershitz as Vice President of Council was NOT adopted by the following vote:

Yea: Goodman-Hinnershitz, Reed - 2.

Nay: Acosta, Marmarou, Sterner, Waltman, Spencer, President - 5.

Councilor Marmarou moved, seconded by Councilor Sterner, to appoint Councilor Waltman as Vice President of Council.

Councilor Reed stated that Councilor Waltman has proven his good leadership skills during his prior years serving as Vice President; however, she expressed concern about the process to make the appointment. She again expressed the belief that this was a preconceived decision.

Councilor Sterner noted Councilor Waltman's outstanding service and leadership as Council Vice President and his skill as Finance Chair.

Councilor Waltman again stated that he has a proven track record of independence on a variety of City issues.

Council President Spencer took issue with the comment that this appointment was preconceived. He stated that the only person to contact him about this process was Councilor Acosta. He stated that he waited to see how this process would proceed. He stated that this appointment was not pre-determined.

Councilor Goodman-Hinnershitz expressed her hope that as Councilor Waltman already served as Vice President for two (2) terms that he would step back and open the opportunity for others. She noted that this process does not cast a shadow on the skills and abilities of other Councilors. She also noted the need for a public discussion about the process.

The motion to appoint Councilor Waltman as Vice President of Council was adopted by the following vote:

Yea: Acosta, Goodman-Hinnershitz, Marmarou, Sterner, Waltman, Spencer, President - 6.

Nay: Reed - 1.

C. Resolution No. 4-2010- Appointing City Councilor _____ to the Blighted Property Review Committee, with a term set to expire December 31, 2012
(Spencer)

Councilor Marmarou moved, seconded by Councilor Acosta, to appoint Councilor Reed to the Blighted Property Review Committee.

Council President Spencer explained that the Blighted Property Review Committee is a combination of representatives from City Council, the Planning Commission, the Redevelopment Authority and citizens. He noted the need to replace Councilor Fuhs.

Councilor Reed stated that her experience with housing issues while serving on Reading Beautification (RBI) will dovetail nicely with the work of the Blighted Property Review Committee.

Councilor Goodman-Hinnershitz expressed her belief in Councilor Reed's ability to assist the Blighted Property Review Committee.

Resolution No. 4-2010 was adopted by the following vote:

Yea: Acosta, Goodman-Hinnershitz, Marmarou, Reed, Sterner, Waltman, Spencer, President - 7.

Nay: None - 0.

D. Resolution No. 5- 2010 - Appointing City Councilor Francis Acosta to the Reading Local Redevelopment Authority, for a three (3) year term **(Spencer)**

Council President Spencer explained that the Reading Local Redevelopment Authority (LRA) is working to develop a reuse plan for the Navy Marine Center located on Kenhorst Boulevard in the 1st Council District. The BRAC (Base Realignment and Closure) process, developed by the Department of Defense, is used to develop a reuse plan. He stated that Councilor Acosta will replace Councilor Fuhs.

Councilor Acosta noted the need to approve a reuse plan that will benefit the 18th Ward community.

Resolution No. 5-2010 was adopted by the following vote:

Yea: Acosta, Goodman-Hinnershitz, Marmarou, Reed, Sterner, Waltman, Spencer, President - 7.

Nay: None - 0.

E. Resolution No. 6-2010 - Designating the Council appointments to the Council Committees and the Committee meeting schedule for a two (2) year period (Spencer)

Councilor Acosta moved, seconded by Councilor Sterner, to adopt Resolution No. 6-2010.

Council President Spencer explained that the Administrative Code authorizes the Council President to designate Council Committees, assign Councilors to committees and select chairs for the Committees. He stated that he considers the preferences of Councilors along with their skill sets when recommending a Committee slate.

Councilor Reed noted her disagreement and objection, as she was not appointed to chair any of the four (4) committees due to her previous experience on Council and her professional skills.

Council President Spencer stated that this slate was not meant to disrespect Councilor Reed, or any other Councilor.

Councilor Acosta stated that he looks forward to working with Councilors Reed and Waltman on the City's financial issues.

Councilor Waltman expressed his support for the slate presented. He noted the challenges of the Finance Chair during the long budget cycle.

Councilor Goodman-Hinnershitz stated that she will not support this Resolution due to the selection of the Finance Chair.

Councilor Sterner noted that the Committee Chairs act as facilitators. They have no more power or control than the other Councilors.

Resolution No. 6-2010 was adopted by the following vote:

Yea: Acosta, Marmarou, Sterner, Waltman, Spencer, President -5.

Nay: Goodman-Hinnershitz, Reed - 2.

F. Resolution No. 7-2010 - Denying the appeal of the Certificate of Appropriateness, as attached in the findings of fact, for 916 Madison Avenue, owned by Delfina Velasco, ordering the removal of the side-by-side replacement window on the first floor front façade and further ordering that the window be replaced with a double hung (one-over-one) replacement window in the same size as the original window by April 30, 2010 and authorizing one extension not to exceed June 30, 2010 **(Council Staff)**

Councilor Goodman-Hinnershitz moved, seconded by Councilor Reed, to adopt Resolution No. 7-2010.

Councilor Reed expressed the belief that the order is generous. She also noted the need for continued outreach to the real estate community concerning education on the ownership of properties in the City's four (4) historic districts.

Councilor Goodman-Hinnershitz stated that she will support this resolution to deny the appeal of the HARB decision. She also agreed with the need to improve education about the preservation requirements for realtors and homeowners.

Resolution No. 7-2010 was adopted by the following vote:

Yea: Acosta, Goodman-Hinnershitz, Marmarou, Reed, Sterner, Waltman, Spencer, President - 7.

Nay: None - 0.

COUNCIL COMMENT

Councilor Marmarou asked the Administration to improve the barriers around the under-construction handicapped curb ramps in District 4. He stated that the project cannot be finished until the temperature rises to a point where concrete can be poured.

Councilor Waltman welcomed Councilors Reed and Acosta.

Councilor Waltman stated that today street sweepers went through neighborhoods sweeping in only select areas due to snow piles. However, he noted that cars were ticketed regardless of whether the streets were swept. He suggested that the Administration correct this procedure.

Councilor Goodman-Hinnershitz announced that a Neighborhood Meeting is scheduled for February 3rd at St. Paul's Church to discuss the altered traffic patterns on

Klein Avenue and the speeding on Mineral Spring Road.

Councilor Goodman-Hinnershitz also thanked the Public Works, Fire and Police Departments for their work to coordinate the New Year's Eve fireworks display.

Councilor Reed stated that she is happy to return to Council and public service. She stated that she will bring an independent voice to all issues.

Councilor Reed explained that she uses a notebook computer to take notes at all meetings she attends, as this assists her with handling issues that are discussed.

Councilor Acosta announced his Town Meeting on January 13th at 7 p.m. at Calvary Church Community Center. He agreed with the need for all Councilors to bring an independent voice.

Councilor Waltman stated that he is dismayed with the comments concerning independence. He stated that his record has displayed his independence. He expressed the belief that some need to let the past voices go.

Council President Spencer reminded Council that they are not considered part-time by the Charter. He noted the need for all Councilors to put the time in to accomplish their Council responsibilities and duties.

Council President Spencer also stated that he appreciates the work of the Business Analyst and the HPO Housing Committee to refine the housing permit process. He inquired how the SOP will be developed.

Council President Spencer stated that he attended one of the interviews for the External Audit RFP. He questioned if those who have not previously performed the external audit are at a disadvantage, as they have no knowledge of the City's systems and the work levels required.

Council President Spencer asked the City Auditor if he discovered the un-cashed zoning checks. City Auditor Cituk stated that he did not discover the un-cashed checks. He explained the process undertaken by the Business Analyst and how he and his staff assisted in the process.

Council President Spencer thanked the Administration for informing Council about the discovery of the checks.

Council President Spencer stated that RAWA is in the water sales business and provides financial assistance to the City.

Council President Spencer explained the process used to define the Council Committee slate.

Council President Spencer expressed the belief that each Councilor brings an independent voice. He noted the varying support for different issues that come before the body.

Councilor Goodman-Hinnershitz stated that new technology provides varying communication and note taking options for everyone. She stated that new technology has provided a greener approach.

Councilor Reed estimated that the packets Councilors receive cost approximately \$18,000 per year. She suggested that technology could save significant money and asked Councilor Acosta to place this issue on the Finance Committee Agenda.

Council President Spencer reviewed the upcoming meeting schedule. He noted that the birthday of Martin Luther King Jr is not a holiday, but a day of service.

Councilor Marmarou moved, seconded by Councilor Waltman, to adjourn the regular meeting of Council.

Linda Kelleher CMC, City Clerk