

**CITY COUNCIL MEETING
MONDAY, SEPTEMBER 13, 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 Pastor Lee Ritz, of the Destiny Christian Ministry.

All present pledged to the flag.

ATTENDANCE

Council President Spencer
Councilor Acosta, District 1
Councilor Goodman-Hinnershitz, District 2
Councilor Sterner, District 3
Councilor Marmarou, District 4
Councilor Reed, District 5
Councilor Waltman, District 6
Interim Managing Director C. Geffken
City Auditor D. Cituk
City Clerk L. Kelleher
City Solicitor C. Younger
Mayor T. McMahon
Sergeant at Arms Capt. R. Shafer
Public Works Director C. Jones
Mayor's Assistant F. Denbowski

PROCLAMATIONS AND PRESENTATIONS

City Council issued a proclamation recognizing the 125th anniversary of the Reading Leiderkranz , accepted by Joseph Marnell, President.

Councilor Marmarou excused himself due to a family emergency.

PUBLIC COMMENT

Council President Spencer announced that four (4) citizen were registered to address Council on non-agenda matters. He inquired if any Councilor objected to suspending the rule requiring non-agenda comment at the end of the meeting. As no one objected the rule requiring non-agenda comment at the end meeting was suspended. Council President Spencer reminded those registered to speak of the remaining public speaking rules.

William Frymoyer, VP of AFSCME 2763, expressed his belief that the tax functions should not be outsourced. He stated that Tax staff was informed recently that six (6) positions will be eliminated at the end of the year. He also expressed the belief that it would be better to add two (2) property maintenance inspectors, rather than adding three (3) property maintenance aides. He also expressed disagreement with the need to cut a rank-and-file CD Specialist to add two (2) management positions in Community Development. He noted that the first position cuts usually come from the AFSCME rank-and-file unit first.

Chuck Liedike, Government Affairs Director from Reading-Berks Association of Realtors (R-BAR), noted the need for the City to either make negative or positive decisions on the Zoning and Housing permit applications that are currently pending. He also noted the need for the City to improve the burdensome permit process.

Stefan Kosikowski, of South 17th Street, thanked those elected officials who opposed selling the water asset to a third party. He also noted the troublesome opinions and statements made by some Reading Area Water Authority board members. He also described the problem with paying for monthly water meter reading when the water meters are only read every quarter at most.

Hector Rodriguez, of North 9th Street, requested the assistance of a translator. City Council asked Mr. Rodriguez to address the body in Spanish. City staff can translate the statement and add it to the record.

Mr. Rodriguez stated that he has been a grocery store owner for 15 years and expressed his concern for the Zoning approval for a grocery store in his area. He believes that during these tough economic times, and the area being a low income area, the approval of this new grocery store will be detrimental to the three (3) existing stores. He supports new business but also expressed the belief that a traffic study should be done before considering the approval of any store opening so that it is not harmful to other stores in the area. He asked for Council's support in this matter and thanked them for their time.

APPROVAL OF AGENDA & MINUTES

Council President Spencer called Council's attention to the agenda, including the legislation listed under the Consent Agenda heading and minutes from the August 26th meeting of Council. He noted the need to make the following legislative adjustments.

- Add a resolution under the Consent Agenda heading intervening on the Zoning appeal for 1202 Douglas Street.
- Ordinance introduction to increase the parking meter fines.

- Ordinance introduction increasing the non moving violation fines
- Withdrawing the ordinance for final passage adding a parking surcharge of \$12.50
- Resolution authorizing the City's participation in the Storm Water Coalition

Councilor Goodman-Hinnershitz moved, seconded by Councilor Sterner, to adopt the agenda as amended, including the legislation listed under the Consent Agenda heading and the minutes from the August 26th regular meeting of Council. The motion was approved unanimously.

CONSENT AGENDA LEGISLATION

Award of Contract - for a Video Safety Consulting Services Phase 2 for the Police Department to Herbert, Rowland & Grubic, Inc., 369 East Park Drive, Harrisburg, PA 17111, for a total submitted price of approximately \$52,400.00 (**Purchasing**)

Resolution – authorizing intervention in the zoning appeal for 1202 Douglass Street

ADMINISTRATIVE REPORT

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

- Congratulating Chuck Domino on his induction into the Baseballtown Hall of Fame
- Update on the Core Communities in Crisis
- Pagoda's receipt of a preservation award from the Pennsylvania Historic Museum Commission
- Announcing the September 28th Mayor's Prayer Breakfast

Councilor Sterner noted the amount of crime in District 3, which is the smallest but the densest Council District. He stressed the need for residents to step up to supply information to the Police.

Councilor Reed inquired about the City's enforcement of the existing curfew ordinance. Mayor McMahon noted the City's difficulty in enforcing the curfew ordinance due to decreased manpower. He also noted the difficulties enforcing the curfew due to the problems with providing after-care for those individuals detained.

Councilor Reed noted her surprise when reading that the perpetrators in the most recent homicide were illegally drinking at a city bar. She suggested applying stiff penalties to the owner of the bar.

Councilor Goodman-Hinnershitz stated that the Mayor's task force on youth violence has been meeting for the past year and exploring various issues including lack of proper parenting. She stated that the task force is currently reviewing its strategies and options.

Councilor Sterner congratulated the Police Department for their quick and successful response to the latest homicide.

AUDITOR'S REPORT

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

- 2010 Unemployment Compensation expense
- 2010 Real Estate Transfer Tax collection
- 2010 Schlegel Park Pool revenue

ORDINANCES FOR FINAL PASSAGE

Bill No. 53-2010 - amending the fee schedule of the City of Reading Codified Ordinances by adding a fee of \$100.00 under Codes Department Codes Enforcement Electrical Re-Introduction of Power Inspection Program (Law)

Councilor Reed moved, seconded by Councilor Goodman-Hinnershitz, to enact Bill 53-2010.

Councilor Goodman-Hinnershitz explained that the fee will cover the cost of the program.

Bill 53-2010 was enacted by the following vote:

Yea: Acosta, Goodman-Hinnershitz, Reed, Sterner, Waltman- 5

Nay: Spencer, President - 1.

Bill No. 63-2010 - amending the 2010 City of Reading Full Time Position Ordinance by eliminating one (1) Development Inspection Clerk position, creating three (3) Property Maintenance Aides, adding one (1) Deputy Director of Community Development, adding one (1) Community Development Program Manager, and eliminating one (1) Community Development Specialist (Act 47 Recovery Plan CE 03 and CE 06) (Bus Analyst)

Councilor Reed moved, seconded by Councilor Sterner, to enact Bill 63-2010.

Interim Managing Director Geffken explained that the three (3) property maintenance aides will be funded by quality of life ticketing. He also stated that the housing coordinator is required by the Act 47 plan.

Councilor Sterner questioned if all positions added will be self funded. Councilor Acosta expressed concern that the added positions may not be able to be funded in the coming year.

Councilor Goodman-Hinnershitz requested information on the impact to the bargaining unit.

Councilor Waltman expressed his long standing belief for the need for smart, aggressive, strategic Codes enforcement. He also noted his past statements regarding the need for the City to develop a broad strategy that involves multiple departments and approaches.

Councilor Reed stated that she will support the addition of the property maintenance aide positions, due to the need for stronger Codes enforcement. She noted her dissatisfaction with regard to several recent District 5 Codes issues.

Councilor Acosta suggested amending the ordinance and considering the additions to each department separately. He also noted the need to balance the creation of fees to cover salaries. He also suggested working to hold property owners responsible for the condition of the properties.

Councilor Acosta moved, seconded by Councilor Reed, to amend Bill 63-2010, by adding only the Community Development Deputy Director.

Councilor Goodman-Hinnershitz expressed her belief with bringing the Deputy Director position in first, as this party will develop the strategic housing plan.

Councilor Reed agreed, but suggested not waiting too long to upgrade Codes enforcement.

Councilor Waltman expressed the belief that the City needs to begin working smarter, more efficiently and more effectively.

Councilor Goodman-Hinnershitz expressed the belief that the City's lack of success in the past is in the past. She noted the need to add a good leader who can develop a viable plan. She noted that the City cannot stay with the status quo. She called for the question.

Council President Spencer explained the motion covers only adding the Community Development Deputy Director.

The motion to amend Bill 63-2010 was not enacted by the following vote:

Yea: Acosta, Goodman-Hinnershitz, Reed, - 3.

Nay: Sterner, Waltman, Spencer, President - 3.

Council President Spencer stated that was the failure of the amendment places the main motion on the table.

Councilor Waltman stated that the City cannot have a Deputy Director for everything. He stated that basic programs such as a housing strategy should be handled from within by existing staff.

Councilor Acosta expressed the belief that the City should at a minimum add the Community Development Deputy Director as that qualified candidate has already been selected and scheduled to start on September 27th.

City Auditor Cituk warned about the need for legislation to be approved before staff is brought on board.

Councilor Reed moved, seconded by Councilor Goodman-Hinnershitz, to table Bill 63-2010.

Bill 63-2010 was tabled by the following vote:

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

Nay: None - 0.

Bill No. 64-2010 - amending the City of Reading Codified Ordinances Chapter 11 Housing, Part 1 Rental, Section 11-124 (2) Housing Board of Appeals by adding letter H the removal process for members of the Housing Board of Appeals **(Council Staff)**

Councilor Acosta moved, seconded by Councilor Reed, to enact Bill 64-2010.

Council President Spencer read the removal procedure.

Bill 64-2010 was enacted by the following vote:

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

Nay: None - 0.

Bill No. 65-2010 - amending the City of Reading Codified Ordinances Chapter 5 Code Enforcement, Part 6 Property Maintenance Code, Section PM 111.2 Membership of

the Board by adding PM 111.2.6 the removal process for members of the Property Maintenance Code Board of Appeals **(Council Staff)**

Councilor Acosta moved, seconded by Councilor Goodman-Hinnershitz, to enact Bill 65-2010.

Bill 65-2010 was enacted by the following vote:

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

Nay: None - 0.

Bill No. 66-2010 - amending the City of Reading Codified Ordinances Chapter 1 Administrative Code, Part 5 Boards, Departments, Commissions, Committees, and Councils, Letter M Minority Business Procurement Board, Section 1-599.34 Minority Business Procurement Board by adding Letter Number Nine (9) Removal Process for Members of the Minority Business Procurement Board **(Council Staff)**

Councilor Reed moved, seconded by Councilor Acosta, to enact Bill 66-2010.

Bill 66-2010 was enacted by the following vote:

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

Nay: None- 0.

Bill No. 67-2010 - amending the City of Reading Codified Ordinances Chapter 1 Administrative Code, Part 5 Boards, Departments, Commissions, Committees, and Councils, Letter N Environmental Advisory Council, by amending Section 1-599.42 Membership Removal Process for members of the Environmental Advisory Council **(Council Staff)**

Councilor Acosta moved, seconded by Councilor Reed, to enact Bill 67-2010.

Bill 67-2010 was enacted by the following vote:

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

Nay: None - 0.

Bill No. 68-2010 - amending the City of Reading Codified Ordinances Chapter 1 Administrative Code, Part 5 Boards, Departments, Commissions, Committees, and Councils, Letter O Diversity Board, by amending Section 1-599.53 Membership for members of the Diversity Board by adding a membership removal process **(Council**

Staff)

Councilor Acosta moved, seconded by Councilor Goodman-Hinnershitz, to enact Bill 68-2010.

Bill 68-2010 was enacted by the following vote:

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

Nay: None - 0.

Bill No. 69-2010 - amending the City of Reading Codified Ordinances, Chapter 1 Administration and Government, Section 1-186 Financial Provisions, Part 14 A Approval of Contracts by decreasing the contract value requiring Council approval (Council Staff)

Councilor Goodman-Hinnershitz moved, seconded by Councilor Reed, to table Bill 69-2010.

Bill 69-2010 was enacted by the following vote:

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

Nay: None - 0.

Bill No. 70-2010 - amending Section 15-416 by adding a new Part 5 to require a \$12.50 surcharge on each parking violation issued by the Reading Parking Authority and City of Reading Police Department (Law)

City Solicitor Younger explained that this ordinance is being withdrawn and replaced by two (2) additional ordinances being introduced this evening that will increase parking violation fines.

INTRODUCTION OF NEW ORDINANCES

Council President Spencer read the following ordinances into the record:

Ordinance - amending the City of Reading Codified Ordinances Chapter 5 Code Enforcement Part 1 Building Code Letter B International Building Code Article 1 International Building/Fire Prevention Code Board of Appeals Rules of Procedure Article 2 Membership by adding 2.6 Removal of Members (Council Staff)

Ordinance - amending the City of Reading Codified Ordinances Chapter 5 Code Enforcement Part 3 International Fire Code Article 1 International Building/Fire Prevention Code Board of Appeals Rules of Procedure Article 2 Membership by adding 2.6 Removal of Members (Council Staff)

Ordinance - amending the City of Reading Codified Ordinances Chapter 2 Animals Section 2-111 Animal Control Board Powers and Duties by adding #4 Removal of Members (**Council Staff**)

Ordinance - amending the City of Reading Codified Ordinances Chapter 1 Administration and Government Part 1 Administrative Code Letter J Code of Ethics Section 1-199.12 Board of Ethics Letter A Composition and Structure of Board by adding # 9 Removal for members of the Board of Ethics (**Council Staff**)

Ordinance – increasing the parking meter fine.

Ordinance – increasing the non-moving violation fines.

RESOLUTIONS

Resolution 83-2010 - approving the Conditional Use application submitted by Pennsylvania American Water for a public utility at 501 South 19th Street with conditions as expressed in the attached decision (**Council Staff/Law**)

Councilor Goodman-Hinnershitz moved, seconded by Councilor Reed, to adopt Resolution 83-2010.

Council President Spencer read the conditions that are applied to the decision and must be met before the Conditional Use permit is issued.

Councilor Goodman-Hinnershitz expressed her agreement with the conditions as delineated and noted the need for the property to have ongoing Trades and Maintenance inspections to protect the surrounding residential properties.

Resolution 83-2010 was adopted by the following vote:

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

Nay: None - 0.

Resolution 84-2010 - that Steven Symons is appointed to the Plumbing Board (**Admin Oversight**)

The Administrative Oversight Committee moved to adopt Resolution 84-2010.

Councilor Acosta and Councilor Reed noted the skill and experience Mr. Simmons will bring to the Plumbing Board.

Resolution 84-2010 was adopted by the following vote:

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

Nay: None - 0.

Resolution 85-2010 - authorizing the mayor and other appropriate officials of the City of Reading to execute and enter into a contract for loan guarantee assistance under Section 108 of the Housing and Community Development Act of 1974, as amended, (42u.s.c. 5308) for Phase 2 of the Goggleworks Center for the Arts Project in the amount of Five Hundred Fifty Thousand (\$550,000.00) Dollars and a Brownfields Economic Development Grant in the amount of Five Hundred Thousand (\$500,000.00) Dollars (the "BEDI") **(Solicitor)**

Councilor Reed moved, seconded by Councilor Acosta, to adopt Resolution 85-2010.

Resolution 85-2010 was adopted by the following vote:

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

Nay: None - 0.

Resolution 86-2010 – Authorizing the City's participation in the Storm Water Coalition.

Councilor Goodman-Hinnershitz moved, seconded by Councilor Reed, to adopt Resolution 86-2010.

Councilor Goodman-Hinnershitz explained the purpose of the Coalition is to seek assistance for multiple municipalities in funding and upgrading their storm water programs.

Council President Spencer explained that the coalition will provide the City with legal and legislative assistance.

Resolution 86-2010 was adopted by the following vote:

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

Nay: None - 0.

Resolution 87-2010 – Authorizing the proper officers of the City to petition the Court of Common Pleas of Berks County, Pennsylvania, for permission to fund unfunded debt

in an amount not to exceed \$16,500,000; authorizing incidental action; and repealing inconsistent resolutions **(Finance)**

Councilor Goodman-Hinnershitz moved, seconded by Councilor Sterner, to adopt Resolution 87-2010.

Interim Managing Director Geffken explained that the loan of \$16.5M will assist the City in repaying the money borrowed from the sewer fund, the tran, etc. He stated that the approval of the loan will result in a \$1.9M debt service payment per year for ten (10) years. He explained that unfunded debt loans must be repayed within ten (10) years.

Councilor Waltman expressed the belief that Council should have more information on Earned Income Tax collection and relief from the Department of Justice consent decree. He noted the need to explore all options before considering one, possibly short sighted, proposal. He questioned the wisdom in paying interest on a loan to repay yourself. He expressed the belief that the City should explore all options.

Councilor Goodman-Hinnershitz agreed that City Council has been presented with inconsistent information by the Administration; however the information provided about this proposal by the Act 47 coordinator was very complete and covered somewhat improper accounting practices used by the City. She expressed the belief that without this transaction the City may lie near bankruptcy.

Councilor Reed expressed the belief that this difficult decision is not taken lightly. She questioned if the Governor could assist the City, as he did to help bail out Harrisburg.

Councilor Acosta agreed that the cost of the loan repayment is harsh and difficult but questioned the availability of other avenues. He noted that his experience in banking exposes him to applicants who are unfit for loans. He questioned the ability of the City to manage its finances.

Councilor Sterner agreed that this is a difficult decision and a difficult situation. He noted his hope that this loan will assist the City long-term.

Councilor Waltman stated that while he realizes there is not much time to consider other options; however, he asked the Mayor and Interim Managing Director to provide additional information on EIT collection and to seek leniency from the Department of Justice. He also agreed that the City should be seeking assistance from the Governor, as the Governor as the Governor has assisted Harrisburg.

Councilor Goodman-Hinnershitz suggested tabling the Resolution as the entire body is not present at this time.

Council President Spencer noted his repeated requests for a legal opinion on the liability of Council if they approve this transaction.

Councilor Acosta stated that he fears tabling the Resolution would interfere with the budget to be presented on October 1st. He suggested voting on the legislation this evening.

Council President Spencer noted the potential delay in getting a decision from the Court of Common Pleas.

Councilor Reed agreed with the need to vote on this legislation this evening.

Councilor Acosta called for the question.

Resolution 87-2010 was not adopted by the following vote:

Yea: Acosta, Goodman-Hinnershitz, Sterner - 3.

Nay: Reed, Waltman, Spencer, President None - 3.

City Clerk Kelleher inquired if Council would like her to advertise for a Special Meeting to be held at the start of the Work Session scheduled for Monday, September 20th. After a brief discussion, Council agreed to hold a Special Meeting to reconsider this legislation.

COUNCIL COMMENT

Councilor Goodman-Hinnershitz noted the upcoming Recovery Walk scheduled for Saturday, September 18th.

Councilor Acosta questioned the wisdom of delaying the vote on the unfunded debt loan. He also noted the 24th annual celebration of the Latino Association held over the past weekend. He thanked the Police Department for their support.

Council President Spencer reminded Mr. Kosikowski that the Reading Area Water Authority is a public authority and the land remains under the City's control, under the current lease agreement.

Council President Spencer noted the need for the City to provide recreational activities for young men and woman, ages 17-23.

Councilor Sterner thanked those providing public comment at this evening's meeting.

Council President Spencer reviewed the upcoming meeting schedule.

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

Linda Kelleher CMC, City Clerk