

**City of Reading  
City Council  
Work Session  
Monday, July 19, 2010**

**Councilors Attending:** V. Spencer, F. Acosta, S. Marmarou, D. Reed, D. Sterner, J. Waltman

**Others Attending:** D. Miller, C. Younger, L. Kelleher, T. McMahon, C. Geffken, C. Schmehl, F. Denbowski, E. Raphaelli, R. Hatt, A. McKutchen, E. McGovern

Mr. Spencer called the Work Session to order at approximately 7:10 pm.

**Managing Director's Report**

Interim Managing Director Carl Geffken read the report distributed to Council at the meeting covering the following:

- Mayor's direction to the City Solicitor to seek the termination of the lease agreement with the Reading Area Water Authority
- Projected \$1.6M General Fund deficit at year end 2010 due to a significant overage in Fire overtime
- Mayor's Anti-Poverty Commission meetings scheduled for July 27<sup>th</sup> and 28<sup>th</sup>
- Encouraging Council to enact the graffiti abatement fee.

Mr. Spencer expressed concern with the Mayor's directive concerning the RAWA lease agreement, as it will require Council approval. He suggested the Council should have been briefed about this issue before its public announcement. He also questioned the City's ability to manage the water service when it can't seem to get consent the decree regarding the Waste Water Treatment Plant handled properly.

Mr. Spencer also expressed concern that the Administration was aware of the overage in Fire overtime since March but hasn't done anything to mitigate this expense.

Mr. Spencer also noted the need to apply equity to the graffiti abatement fee based on the size of the graffiti that is illegally placed on a building.

Mr. Spencer also noted the need for the Administration to inform Council when incidents such as the shooting that occurred over the weekend take place. He stated that Council does not expect to be provided with intimate details about the incident but

expects to be briefed in general about incident like these when they occur.

Mr. Waltman asked Mr. Geffken if the termination of the lease agreement had ever been discussed with RAWA. Mr. Geffken replied negatively. Mr. Waltman expressed his belief that the announcement made in this manner is irresponsible. He noted the need to get rid of all politics and have open conversation rather than throwing sticks. He noted Council's expectations that the Administration would be meeting with RAWA to discuss various options and opportunities. Mr. Geffken stated that the announcement about the lease agreement was made in response to RAWA's surprise position on the sale of the Ontelaunee parcel, stated in an article in today's newspaper.

Ms. Reed noted that the poor communication past and current needs to be corrected. However, she stated that she is not is sure that she disagrees with the contents of the memo after considering the autonomy of RAWA.

Ms. Reed also recollected past incidents where Councilors learned about serious incidents from newscasts rather than from the Administration. She noted that Council is just seeking basic facts about major incidents. She stressed the need for the Administration to improve their communication with Council.

Mr. Marmarou agreed with the need for improved communication from the Administration.

Mr. Marmarou questioned the difference between graffiti appearing on commercial properties versus appearing owner occupied properties.

Mr. Sterner expressed the belief that communication between all parties must improve about all issues.

Mr. Acosta noted that there is no perfect time to discuss or consider the RAWA lease issue. He noted the need for the City to remember that RAWA was originally created to assist the City financially.

Mr. McMahan stated that his look into terminating the lease agreement was not a slap at RAWA but only a method to open discussions. He reminded all of the need for the City to consider all options. He agreed that Council will need to approve the termination of the lease agreement, which would ultimately not take affect until sometime in 2011.

Mr. McMahan noted the need for the Police Chief to handle incident command and

communication.

Mr. Geffken explained that the City is exploring various issues including the termination of the Water Authority lease. In relation to the question on the graffiti abatement fee, Mr. Geffken noted the belief that businesses gain profit from commercial properties which justifies the charge for graffiti abatement. Mr. Spencer noted the need for the fee to be justified. For example, the fee for removal of large scale graffiti should be greater than that for a small graffiti installation.

Mr. Waltman expressed the belief that Council expected a small group of the Administration and RAWA to discuss various options and solutions rather than wage war in newspaper articles and a dramatic memorandum. He also noted the lack of information from the Administration regarding this issue and the implementation of the Act 47 initiatives. He stated that the Administration continues to use the same process as that employed over his ten (10) years on Council. He noted the need for those actions to change now.

Mr. Spencer noted that the position of RAWA regarding the sale of the Ontelaunee property was not a surprise as it was discussed at last week's Committee of the Whole meeting. He also noted the difference of opinion regarding RAWA's need to support the sale of the Ontelaunee parcel.

Ms. Reed recalled that last week's Committee of the Whole meeting on the Ontelaunee land sale resulted in a "he said, she said", which forced the meeting between the City, Ontelaunee, and RAWA this evening. She also noted the public's perception about the poor communication between City parties.

Mr. Acosta expressed the belief that the Administration is taking the initial steps concerning the RAWA lease agreement correctly.

Mr. Waltman and Mr. Spencer asked Mr. McMahon and Mr. Geffken to arrange a meeting for RAWA, Council and the Administration within 2-3 days. They agreed to schedule the meeting.

City Council and Mr. Geffken expressed their condolences to Councilor Goodman-Hinnershitz and her family who are experiencing the passing of Mr. Goodman.

### **Ontelaunee Land Sale**

Mr. Spencer stated that City Council invited representatives from Ontelaunee Township

and RAWA to the Work Session to discuss the potential land sale. He introduced Alexis McKutchen, Ontelaunee Municipal Secretary and Elizabeth McGovern, Solicitor to Ontelaunee Township.

Ms. McKutchen stated that Ontelaunee Township is looking to purchase 122 acres and continue the preservation of the property. She stated that the township has applied for DCNR Grant for funding to build walking trails on the property. She stated that it is possible that the Township may want to install playfields on the property over the next five (5) to ten (10) years. She noted Ontelaunee's willingness to provide any all easements to provide RAWA with access to the conduit running under the parcel. She also noted the parcels adjointment to the five (5) acre plot sold to Ontelaunee Township, in 2004 that currently houses the Township building.

There was next a discussion on the location of the conduit pipe, which transports water from the lake to the RAWA filtration plant. Ms. McKutchen noted Ontelaunee's willingness to avoid installing any trail, field, or other recreational use on top of the area containing the conduit.

In response to a question, Ms. McKutchen stated that Ontelaunee has not had any formal inquiry concerning the conduit; however she noted hearing of concerns through the grapevine. She stated that currently the property is heavily wooded. She stated that other residential development is planned for Ontelaunee Township and as that development may provide additional recreation space, future field space may not be needed.

Ms. McKutchen stated that the Township approached the City concerning the availability of land for recreation space. Ontelaunee was not made aware of any additional concerns.

There was next a discussion concerning the process and communication regarding the sale of the parcel.

Ms. McGovern stated that Ontelaunee was unaware of the lease agreement between the City and RAWA or the need for RAWA to approve the land sale. In the discussions the City represented that the any issues could be worked out beneficially by all parties. They noted that discussion concerning the land sale began around the Fall of 2009.

There was next a discussion on the process and the timeline.

Mr. Miller, Executive Director of RAWA, expressed the following three (3) concerns:

- Position of the conduit, which transports water from the lake to the RAWA filtration plant
- Preservation of the water shed and RAWA's prominence in the water industry for the development and implementation of the water shed protection plan
- The location of the parcel between the dam breast and the City's secondary water source

Mr. Miller noted the importance of retaining watershed property and gathering more rather than disposing of it. He explained that the Ontelaunee water shed is approximately 2,200 acres and the acreage under consideration is approximately 122 acres.

Mr. McMahon inquired how the proposed use will affect the water shed. Mr. Miller stated that the best water shed protection comes from wooded property as it provides protection from run off.

Ms. Reed inquired if the water shed must be owned by the parent of the water system. Mr. Miller replied negatively but noted that the water shed should be owned by the parent company, as the company has a greater desire to preserve the quality of the water.

In response to a question, Ms. McKutchen and Ms. McGovern stated that the parcel is currently zoned rural and Ontelaunee Township would consider changing the zoning designation to preservation.

Mr. Spencer questioned the need to transfer the property to afford Ontelaunee Township residents access as the property is already open to the public. Mr. Miller agreed.

Mr. Spencer also note the need for all to reconsider the sale as the City's recovery plan addresses the need to avoid off selling assets to generate one-time revenues.

Mr. McMahon noted that PFM was aware of the discussion to sell the parcel. He noted the need for the \$1M revenue gain to offset increases in taxes.

Mr. Spencer asked Mr. McMahon how he thought he could avoid tax increases when the City entered the Act 47 process.

Ms. Reed expressed the belief that the sale is a no-brainer, as the parcel will be passing from one public entity to another.

Mr. Spencer reminded all that the parcel is already open to the public. He stressed the need for the City to consider the impact the sale could have on the water shed and the users of the City's water service.

Ms. McKutchen noted that the City did not express this type of concern with the sale of the five (5) acre parcel that holds the Township building. She noted the sale was approved by the Mayor and City Council after discussion with RAWA Solicitor Mike Setley. Mr. Miller recalled that the sale occurred around 2004 when Mr. Consentino was still Executive Director of RAWA.

Ms. McKutchen provided copies of the plans for the property, along with Ontelaunee's joint comprehensive plan and open space and recreation plan.

#### **Update on Implementation of Act 47 Recovery Plan**

Mr. Geffken reported that meetings to discuss the implementation of the Recovery Plan initiatives have started and there have been some discussion on reporting requirements, phasing, and functionality. He stated that the agendas for these meetings are developed by PFM.

Mr. Spencer inquired when Council will be included in the meetings as prescribed by the Recovery Plan.

Mr. Sterner noted the need for the Administration to properly balance all initiatives to permit the City to leave Act 47 in three (3) to four (4) years.

Mr. Geffken stated that the Administration has already identified and are working to correct many deficiencies. He stated that the Administration will continue to provide updates, noting that PFM is driving the bus.

Mr. Waltman also noted the need for the Administration to identify the various quality of life issues that are affecting neighborhoods, as well as internal management issues.

#### **Call Center**

Mr. Geffken asked that this topic be deferred until a Committee of the Whole meeting due to the need to properly prepare a plan and provide more information on the listed subtopics.

As no further business was brought forward, the work session was adjourned at approximately 9:15p.m.

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

FOLLOW-UP ISSUES:

- Administration to arrange meeting with RAWA and Council to discuss the renegotiation of the water authority lease agreement
- Council inclusion on Act 47 Recovery Plan initiative committees, as prescribed by the Recovery Plan
- Call Center deferred to August 9<sup>th</sup> COW