

City of Reading City Council
Regular Business Meeting
Monday, July 25, 2011

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

The invocation was given by Pastor Olga Moreira, Path of Holiness Church.

All present pledged to the flag.

ATTENDANCE

President of Council Spencer
Councilor Acosta, District 1
Councilor Goodman-Hinnershitz, District 2
Councilor Sterner, District 3
Councilor Reed, District 5
Councilor Waltman, District 6
City Auditor D. Cituk
City Solicitor C. Younger
City Clerk L. Kelleher
Mayor T. McMahan
Managing Director C. Geffken

PROCLAMATIONS AND PRESENTATIONS

A presentation was made by the Reading Community Players and Ruth Martelli, who are the cast of the new production "Fame".

PUBLIC COMMENT

Council President Spencer announced that two (2) citizens were registered to address Council on agenda matters and four (4) were registered to address non-agenda topics. He inquired if any member of Council objected to suspending the public speaking rule requiring non-agenda comment at the end of the meeting. As no one objected, the rule was suspended. He reminded the citizens about the public speaking rules.

Terry Sutton, of S. George St, York, PA, distributed materials to Council about the Elmview Apartments, funded originally through Fulton Bank, along with HOME and CDBG funds. He explained the difficulty in obtaining the rental rates required to create a positive cash flow at this investment property. He explained that HOME and CDBG funds are usually viewed as "soft costs" and are usually forgiven when the project fails.

Carlos Zayas, of South 11th Street, expressed the belief that the referendum question ordinance pertaining to the Auditor should wait until next year because if approved the referendum question will be placed on the 2012 Primary ballot. He also questioned requiring the Auditor to have a CPA credential, as CPAs would probably not run for the position at the salary currently assigned to the Auditor's position.

Mr. Zayas also reminded Council that they are behind on the Redistricting process that accompanies each census. He also questioned the RAWA purchase of the Sinking Spring Sewer System. He expressed the belief that the April 25th regular meeting minutes do not accurately reflect what he stated at the meeting. He asked that the June 27th minutes include his statement. He then read the statement he made at the April 25th regular meeting of Council.

Cindy and Craig Abribat, of Farr Rd, Wyomissing, described the upcoming 100,000 Poets event. They described the variety of entertainment genres that will be appearing at the event. They stated that this event will be held at various locations across the nation.

Steve Keiser, of North 8th Street, stated that he owns a rental property in the 000 block of North 10th Street. He described his difficulty in placing quality long-term tenants in this building due to the serious quality of life problems in this neighborhood, including open air drug dealing. He suggested less focus on codes enforcement and more police officers.

Denise Perez, of South 10th Street, was not present.

Michael Dugan, of North 12th Street, expressed the belief that the proposed change in the traffic flow on North 12th Street at the Citadel will not correct the perceived traffic or public safety problems. He stated that he has collected over 300 signatures on a petition opposing the changes and suggested that a public meeting be held before the changes are further considered.

APPROVAL OF THE AGENDA & MINUTES

Council President Spencer called Council's attention to the agenda for this meeting, including the legislation listed under the Consent Agenda heading. He stated that the 15 Conditional Offer of Employment Resolutions for new Police Officers entering the Police Academy will also be added to the consent agenda.

Councilor Goodman-Hinnershitz requested that resolutions marked as "N" and "O" be removed from the consent agenda for separate consideration.

Consent Agenda Legislation

- A. Resolution 110-2011**– authorizing the Mayor to execute a certain Reimbursement Agreement with the Pennsylvania Department of Transportation for the resurfacing of North Sixth Street between Amity Street and Hiester’s Lane and Bern Street between North Fifth Street and North Sixth Street (**Law/Public Works**)
- B. Resolution 111-2011**– promoting fire fighter Brian Smith to Administrative Officer (**Fire Dept**)
- C. Resolution 112-2011**– hiring Ann Whitmoyer to man the wheel chair van (**Fire Dept**)
- D. Resolution 113-2011**– hiring Michael Quintinsky to man the Basic Life Support Unity (**Fire Dept**)
- E. Resolution 114-2011**– promoting Lt. Frank Nefos Jr to 2nd Deputy Chief (**Fire Dept**)
- F. Resolution 115-2011**– promoting Lt. Thomas Kemery to 2nd Deputy Chief (**Fire Dept**)
- G. Resolution 116-2011**– promoting Lt. Steven Serba to 2nd Deputy Chief (**Fire Dept**)
- H. Resolution 117-2011**– promoting fire fighter Scot Landis to Lieutenant (**Fire Dept**)
- I. Resolution 118-2011**– promoting fire fighter James Stoudt Jr to Lieutenant (**Fire Dept**)
- J. Resolution 119-2011**– promoting fire fighter Sean Hart to Lieutenant (**Fire Dept**)
- K. Resolution 120-2011**– promoting Lt. Ronald Wentzel Jr to 1st Deputy Chief (**Fire Dept**)
- L. Resolution 121-2011**– promoting 2nd Deputy Chief Nicholas Amicone to 1st Deputy Chief (**Fire Dept**)
- M. Resolution 122-2011**– promoting 2nd Deputy Chief Gary Mogel to 1st Deputy Chief (**Fire Dept**)
- P. Resolution 125-2011**– authorizing the disposition of the following public records of the Finance/Administrative Services office as attached (**Admin Services**)
- Q. Resolution 126-2011**– authorizing a Reading Police Department Conditional Offer of Employment to William Pletcher (Police/Council Staff)
- R. Resolution 127-2011** – authorizing a Reading Police Department Conditional Offer of Employment to Christopher Gaughan (Police/Council Staff)

S. Resolution 128-2011 – authorizing a Reading Police Department Conditional Offer of Employment to Kevin Ebersole (Police/Council Staff)

T. Resolution 129-2011 – authorizing a Reading Police Department Conditional Offer of Employment to Ryan Smith (Police/Council Staff)

U. Resolution 130-2011 – authorizing a Reading Police Department Conditional Offer of Employment to Pablo Dominguez (Police/Council Staff)

V. Resolution 131-2011 – authorizing a Reading Police Department Conditional Offer of Employment to Nicholas Epolito (Police/Council Staff)

W. Resolution 133-2011 – authorizing a Reading Police Department Conditional Offer of Employment to Ryan Emerich (Police/Council Staff)

X. Resolution 134-2011 – authorizing a Reading Police Department Conditional Offer of Employment to Jared Abby (Police/Council Staff)

Y. Resolution 135-2011 – authorizing a Reading Police Department Conditional Offer of Employment to Carcherie Gingrasso (Police/Council Staff)

Z. Resolution 136-2011– authorizing a Reading Police Department Conditional Offer of Employment to Christopher Hess (Police/Council Staff)

AA. Resolution 137-2011– authorizing a Reading Police Department Conditional Offer of Employment to Alexander Sholedice(Police/Council Staff)

BB. Resolution 138-2011 – authorizing a Reading Police Department Conditional Offer of Employment to Danielle Zackey (Police/Council Staff)

CC. Resolution 139-2011– authorizing a Reading Police Department Conditional Offer of Employment to William Brandon O’Reilly (Police/Council Staff)

DD. Resolution 140-2011 – authorizing a Reading Police Department Conditional Offer of Employment to Michael Sansoti (Police/Council Staff)

EE. Resolution 141-2011 – authorizing a Reading Police Department Conditional Offer of Employment to Ana Rosario (Police/Council Staff)

Councilor Sterner moved, seconded by Councilor Waltman, to approve the agenda as amended, with the legislation listed under the consent agenda heading, with the exception of Resolutions N and O, and the minutes from the June 27th (as amended) and July 11th regular meetings of Council. The motion was approved unanimously.

N. Resolution 123-2001– authorizing the Reading Area Water Authority (RAWA) to incur

debt for the purchase of the Sinking Spring Sewer System (RAWA)

Councilor Goodman-Hinnershitz moved, seconded by Councilor Acosta, to adopt Resolution No. 123-2011.

Councilor Goodman-Hinnershitz explained that, if approved, the City will not be guaranteeing this loan. She stated that the lease agreement with RAWA requires RAWA to authorize any debt transaction via resolution. She explained that the City's guarantee of debt would need to occur by ordinance.

Councilor Acosta explained that the capital debt will cover RAWA capital projects, including the purchase of the Sinking Spring Sewer system, if RAWA's bid is accepted by Sinking Spring Borough. He added that the debt will not be used to supply the City with financial support.

Councilor Waltman stated that he is concerned about approving this transaction as the City has only had a brief conversation with RAWA about the proposed capital projects. He stated that he will not support this transaction due to the lack of information and planning.

Councilor Goodman-Hinnershitz expressed the belief that the City and its agencies require more regular planning work.

Councilor Reed stated that the transaction will not impact City water customers.

Councilor Sterner stated that this transaction and the purchase of the Sinking Spring sewer system is RAWA's first big step toward providing a truly regional service.

Resolution No. 123-2011 was enacted by the following vote:

Yeas: Acosta, Goodman-Hinnershitz, Reed, Sterner, Spencer, President– 5

Nays: Waltman - 1

O. Resolution 124-2011- authorizes and approves the incurrence of the Indebtedness and requests that the Authority undertake the Project. The City authorizes and approves the issuance of the Indebtedness by the Authority in the maximum principal amount of \$50,000,000 (RAWA)

Councilor Goodman-Hinnershitz moved, seconded by Councilor Reed, to adopt Resolution 124-2011.

Councilor Goodman-Hinnershitz stated that the City will not incur the responsibility for this debt and that the transaction will benefit RAWA's financial security.

Councilor Waltman suggested that additional discussion with RAWA should occur.

Council President Spencer stated that the transaction will cover RAWA capital needs at existing facilities and allow them to purchase the Sinking Spring sewer system.

Resolution No. 123-2011 was enacted by the following vote:

Yeas: Acosta, Goodman-Hinnershitz, Reed, Sterner, Waltman, Spencer, President– 6
Nays: None – 0.

ADMINISTRATIVE REPORT

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

- Update on the implementation of Act 90 provisions
- 2012 budget update
- PILOT/SILOT update
- Announcement of the Pendora Park meeting on Wednesday, July 27th at 6:30 pm at the Pendora field house

Councilor Goodman-Hinnershitz stated that the meeting at Pendora field house will precede Council approval for the project and subsequent Planning and Zoning approvals.

AUDITOR'S REPORT

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

- Update on 2011 Admissions Tax Collection
- Update on 2011 Real Estate Transfer Tax collection
- The Auditor's Compliance Report on Bill No. 17-2011

ORDINANCES FOR FINAL PASSAGE

A. Bill No. 33-2011 - authorizing the Mayor to execute the Agreement of Cooperation between the City of Reading and the Reading School District for the joint support of a Recreational and Educational Program and creation of the Reading Recreation Commission (**Law**) *Introduced at the July 11 regular meeting*

Councilor Acosta moved, seconded by Councilor Goodman-Hinnershitz, to enact Bill No. 33-2011.

Council President Spencer stated that a work group of City and School District officials have been meeting to discuss the creation of this joint commission for approximately 18 months. He stated that this joint commission will work to provide recreation programs at existing facilities with the contributions from the City and School District and funding through grants and private donations. He noted that the Commission can be disbanded if the School District and City find that it is not working properly.

Councilor Goodman-Hinnershitz thanked those who participated on the work group. She noted that the current Recreation employees will fall under the newly formed commission.

Bill No. 33-2011 was enacted by the following vote:

Yeas: Acosta, Goodman-Hinnershitz, Reed, Sterner, Waltman, Spencer, President– 6
Nays: None - 0

B. Bill No. 34-2011 - amending the 2011 City of Reading Full Time Position Ordinance to reflect the changes made necessary by the current collective bargaining agreement for the Department of Fire and Rescue Services (**Fire/Council Staff**) *Introduced at the July 11 regular meeting*

Councilor Acosta moved, seconded by Councilor Waltman, to enact Bill No. 34-2011.

Council President Spencer explained that these changes are required as per the new collective bargaining agreement.

Bill No. 34-2011 was enacted by the following vote:

Yeas: Acosta, Goodman-Hinnershitz, Reed, Sterner, Waltman, Spencer, President – 6
Nays: None - 0

C. Bill No. 35-2011 - directing the Berks County Board of Elections to place a referendum question before City voters on the 2012 primary ballot which would amend the City of Reading Home Rule Charter by changing the qualifications of the City Auditor (**Council Staff**) *Introduced at the July 11 regular meeting*

Councilor Acosta moved, seconded by Councilor Reed, to enact Bill No. 35-2011.

Councilor Goodman-Hinnershitz explained that the enactment of this ordinance will not impact on the election of the City Auditor in the 2011 General Election but will affect the election of the City Auditor in the 2015 election cycle.

Councilor Acosta stated that although City Council enacted legislation to freeze the salary of the Auditor, the salary can be adjusted if the qualifications for the position are changed.

City Auditor Cituk stated that no other City requires the elected Auditor to be a CPA. He expressed the belief that the ordinance is heavy handed.

Councilor Goodman-Hinnershitz noted the different perspectives involved with this recommendation. She expressed the belief that the City's financial needs need to come first and suggested that the Auditor should play a larger role in assisting the financial issues that affect the City.

Bill No. 35-2011 was enacted by the following vote:

Yeas: Acosta, Goodman-Hinnershitz, Reed, Sterner - 4

Nays: Waltman, Spencer, President - 2

D. Bill No. 36-2011 - amending the 2011 City of Reading Full Time Position Ordinance by decreasing the number of Property Maintenance Supervisors and increasing the number of Property Maintenance Inspectors within the Community Development Department, Codes Division **(Codes/Council Staff)** *Introduced at the July 11 regular meeting*

Councilor Acosta moved, seconded by Councilor Reed, to enact Bill No. 36-2011.

Council President Spencer explained that this adjustment will increase the number of property maintenance inspectors and decrease the number of supervisors.

Bill No. 36-2011 was enacted by the following vote:

Yeas: Acosta, Goodman-Hinnershitz, Reed, Sterner, Waltman, Spencer, President – 6

Nays: None - 0

E. Bill No. 37-2011 - authorizing the Mayor to execute the agreement between the City of Reading and the Community Prevention Partnership for the coordination of the Weed and Seed Program **(Law/Mayor)** *Introduced at the July 11 regular meeting*

Councilor Reed moved, seconded by Councilor Sterner, to enact Bill No. 37-2011.

Councilor Waltman moved, seconded by Councilor Goodman-Hinnershitz, to amend Bill No. 37-2011 by decreasing the proposed by half, to \$11,400.

Councilor Reed stated that she will not support this ordinance or the amendment due to the need in all city neighborhoods.

Councilor Goodman-Hinnershitz expressed the belief that there are too many unanswered questions on this proposed project.

Councilor Sterner agreed that this area needs assistance but questioned if this project is the proper solution.

Councilor Acosta stated that he will not support this project but agreed with the need for the City to study this problem city-wide. He also noted the need for Council to consider its Core Services when asked to fund various projects.

The amendment to Bill No. 37-2011 was not adopted by the following vote:

Yeas: Goodman-Hinnershitz, Waltman, Spencer, President – 3

Nays: Acosta, Reed, Sterner – 3

Council President called the main motion.

Bill No. 37-2011 was not enacted by the following vote:

Yeas: Waltman, Spencer, President – 2

Nays: Acosta, Goodman-Hinnershitz, Reed, Sterner - 4

F. Bill No. 38-2011 - authorizing the Mayor to execute a lease between the City of Reading and the Olivet Boys and Girls Club for a portion of the real estate situate in Pendra Park (Law/Mayor) *Introduced at the July 11 regular meeting*

Councilor Goodman-Hinnershitz moved, seconded by Councilor Acosta to table Bill No. 38-2011.

Bill No. 38-2011 was tabled by the following vote:

Yeas: Acosta, Goodman-Hinnershitz, Reed, Sterner, Waltman, Spencer, President – 6

Nays: None - 0

Council President explained that the ordinance was tabled due to the need to hold the neighborhood meeting to obtain input from the affected residents.

INTRODUCTION OF NEW ORDINANCES

Council President Spencer read the following ordinances into the record:

A. Ordinance - ratifying the Solid Waste and Recycling Fees for the City of Reading (Law)

B. Ordinance - authorizing the Mayor to execute any and all documents to effectuate the conveyance of real estate situate at 818 Muhlenberg St., 450 Schuylkill Ave., 108 Plum St., 722 Lance, 1709 Mineral Springs, 112 Plum St., 454 Schuylkill Ave. and 516 Garden from Lobos Ten Properties to the City of Reading for \$15,500 (Law) *To be distributed Monday*

RESOLUTIONS

A. Resolution 70-2011 – authorizing the Mayor to execute a FFY2011 (37th CD year - January 1, 2011 to December 31, 2011) Action Plan Amendment to move \$450,000 in CDBG unprogrammed

funds to the 2011 Microenterprise Development Activity (Community Development) *Tabled at the May 9, May 23, June 13, June 27 and July 11 regular meetings*

Managing Director Geffken asked that the resolution be withdrawn from Council's consideration.

Resolution 84-2011 - that the City of Reading consents to the sale of the Elm View Apartments Limited Partnership project property and the Mayor of the City of Reading is authorized to execute any and all documents required for the assignment of the above referenced loan and to modify certain Note and/or Loan Agreement terms, including but not limited to deferral of the July 2011 balloon payment, possible forgiveness of said balloon payment, and review of the July 2026 balloon payment for status determination (Law/Community Development) *Tabled at the May 23 June 13 and June 27 regular meetings*

Councilor Acosta moved, seconded by Councilor Goodman-Hinnershitz, to table Resolution No. 84-2011.

Resolution No. 84-2011 was tabled by the following vote:

Yeas: Acosta, Goodman-Hinnershitz, Marmarou, Reed, Sterner, Waltman, Spencer, President – 6

Nays: None – 0

C. Resolution 107-2011 - authorizing the public release of the results of the Sewer Investigation, authorized by Bill No. 3-2011 and amended by Bill No. 20-2011 as attached in the Findings of Facts and Conclusions (**Council Staff**) *Tabled at the July 11 regular meeting*

Councilor Acosta moved, seconded by Councilor Goodman-Hinnershitz, to adopt Resolution No. 107-2011.

Councilor Sterner thanked the public and elected officials who responded to the letter sent by City Council. He stated that he will not support this resolution as he believes that the issue has not reached a successful conclusion.

Councilor Goodman-Hinnershitz agreed that the results are incomplete but she argued that pushing the issue further will not change the result or uncover the root cause of the problem. She stated that Council's main goal was to prepare a public document that explains the issue that resulted in the need for the City to take the unfunded debt last year.

Councilor Sterner agreed that by adopting this resolution the results of the investigation become part of the public record which can be reviewed by future elected officials. He also noted that this issue inspired a positive change in the City's financial policies.

Councilor Acosta agreed that the issue should be explored further but expressed the belief that as the end result would be no different from that in hand now, it would not make sense to spend the money to take the investigation further.

Councilor Waltman described how Council began considering conducting an investigation around the transfer of funds from the sewer area. He noted that the unfunded debt transaction cost the City \$5M in expenses. He stated that he will not support the adoption of this resolution due to the fragmented nature of the investigation process.

Resolution No. 107-2011 was adopted by the following vote:

Yeas: Acosta, Goodman-Hinnershitz, Sterner, Spencer, President – 4

Nays: Reed, Waltman – 2.

D. Resolution No. 142-2011– authorizing the Mayor to execute a FFY2011 (37th CD year - January 1, 2011 to December 31, 2011) Action Plan amendment to revise 2010 activities and allocate unprogrammed HOME funds to Habitat for Humanity in the total amount of \$278,000 for the conduct of eligible activities in the City of Reading as required by HOME program regulations and final rule at 24 CFR 92 (**Community Development**)

Councilor Reed moved, seconded by Councilor Acosta, to table Resolution No. 142-2011.

Resolution No. 108-2011 was tabled by the following vote:

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

Nays: None - 0

E. Resolution No. 143-2011- authorizing the Mayor to execute a FFY2011 (37th CD year - January 1, 2011 to December 31, 2011) Action Plan amendment to allocate \$400,000 in HOME unprogrammed funds to Berks Housing Development Partnership (BHDP), a Community Housing Development Organization (CHDO). In addition, BHDP shall be allocated CHDO operating funds and administrative funds to develop, manage and administer affordable housing programs in compliance with HOME program regulations and final rule at 24 CFR 92 (**Community Development**)

Councilor Acosta moved, seconded by Councilor Waltman, to table Resolution No. 143-2011.

Resolution No. 143-2011 was tabled by the following vote:

Yeas: Acosta, Goodman-Hinnershitz, Reed, Sterner, Waltman, Spencer, President – 6

Nays: None – 0

F. Resolution 85-2011 - recognition of uncollectable, settled or otherwise resolved Community Development loans (**Community Development/Law**)

Councilor Reed moved, seconded by Councilor Goodman-Hinnershitz, to adopt Resolution No. 85-2011.

Councilor Reed stated that the prior version of the letter lumped all of the loans together and made people think that all the loans listed were uncollectable; however, this version provides clarity. She noted that the poor wording of the first resolution made people believe that the loan made to Uhrig Painting on North 5th Street was uncollectable, when in fact the loan made to Uhrig was paid in full by the corporation. She apologized for any ill effect this issue has caused the Uhrig corporation or family. She asked the Administration to send a letter of apology.

Councilor Goodman-Hinnershitz stated that the resolution was reworded to provide clarification about which loans were paid, settled or deemed unresolved.

Resolution No. 85-2011 was adopted by the following vote:

Yeas: Acosta, Goodman-Hinnershitz, Reed, Sterner, Waltman, Spencer, President – 6

Nays: None – 0

G. Resolution No. 144-2011 - Denying the Conditional Use application submitted by Ramon and Yulis Caraballo requesting a zoning permit for the addition of three (3) rental units in the upper floors of 1457 North 9th Street, but approving instead the addition of two (2) rental units for the second and third floor of 1457 North 9th Street, with conditions as attached herein (**Council Staff**)

Councilor Waltman moved, seconded by Councilor Goodman-Hinnershitz, to table Resolution No. 144-2011.

The motion to table Resolution No. 144-2011 was not adopted by the following vote:

Yeas: Goodman-Hinnershitz, Reed, Sterner - 3

Nays: Acosta, Waltman, Spencer, President – 3

Mr. Spencer asked that as the motion to table failed, he asked Council to reconsider adopting the resolution as Councilor Marmarou was consulted about the decision for this property, which is located within District 4.

Councilor Reed moved, seconded by Councilor Acosta, to adopt Resolution No. 144-2011.

Resolution No. 144-2011 was adopted by the following vote:

Yeas: Acosta, Goodman-Hinnershitz, Reed, Sterner, Waltman, Spencer, President – 6

Nays: None – 0

COUNCIL COMMENT

Councilor Reed noted the upcoming Reading Hip Hop Summit and encouraged all Greater Reading residents to get involved.

Councilor Goodman-Hinnershitz invited citizens to attend the meeting about the rec center project proposed for Pendora Park on Wednesday, July 27th at 6:30 pm. She stated that a meeting about traffic issues at the Citadel is also being planned.

Councilor Goodman-Hinnershitz noted the positive community projects being conducted within District 2.

Councilor Sterner thanked Ruth Martelli and the Reading Community Players for performing at the beginning of the Council meeting. He also thanked those who provided public comment and reminded everyone about the BINGO program conducted every Monday at the Hillside Playground.

Council President Spencer and Councilor Sterner asked the Administration to address the issues raised by Mr. Keiser during the public comment period.

Council President Spencer reviewed the upcoming meeting schedule.

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

Respectfully submitted by Linda A. Kelleher CMC, City Clerk