



COMMITTEE of the WHOLE

CITY COUNCIL

MINUTES
May 12, 2014
5:00 P.M.

COUNCIL MEMBERS PRESENT:

D. Sterner, S. Marmarou, D. Reed, C. Daubert, M. Goodman-Hinnershitz, J. Waltman

OTHERS PRESENT:

L. Kelleher, S. Katzenmoyer, C. Snyder, R. Johnson, C. Younger, D. Cituk, W. Heim, V. Spencer

The Committee of the Whole meeting was called to order at 5:06 pm by Council Vice President Waltman.

I. Review Public Participation Rules

Chief Heim stated that the rules are similar to those appearing on the agenda for some time. He stated that if a member of the public gets loud and out of order, the officer in attendance must be given direction to address the person. He stated that overt threats will result in immediate removal by the officer. He suggested that the Council President use his gavel and direct the officer.

Mr. Waltman stated that at the last meeting a member of the public approached the table. He expressed the belief that the problems grow from one person to the next. Chief Heim suggested that the officer in attendance stand near the podium to visibly demonstrate that he/she is prepared to act as necessary.

Mr. Waltman stated that the public has the right to yell and vent but not to make threats. Mr. Younger stated that many threats can fall into a gray area.

Ms. Goodman-Hinnershitz expressed concern with the overall insecurity of City Hall. She stated that some limited efforts have been made to secure the building but that many employees are unprotected. Chief Heim stated that the configuration of Chambers is up to Council.

Ms. Reed stated that it goes beyond Council meetings. She stated that a more concerted effort should be made to protect employees on a daily basis. She noted the metal detectors used at the County Services Center and many other public buildings. Chief Heim stated that a decision was made several years ago to keep City Hall more accessible.

Mr. Waltman questioned the cost to implement some safety measures. Ms. Snyder stated that she will revisit this issue.

Mr. Waltman noted the need for daily protection for officials and employees.

Ms. Reed stated that the shooting at a public meeting in the Poconos began with a Codes violation.

Ms. Goodman-Hinnershitz stated that the public participation rules have been read at every meeting but she questioned if the public is paying attention. She suggested stanchions with ropes be used to separate the public space from the official space. She stated that this is a visual but unobtrusive reminder. Chief Heim agreed and stated that would better define the areas.

Chief Heim stated that Council is issuing a commendation for National Police Week this evening so there will be several officers in attendance.

Chief Heim left the meeting at this time.

II. Other Matters

- UGI Meters

Ms. Goodman-Hinnershitz questioned progress on this issue. Ms. Snyder stated that there is forward movement. She stated that there is a meeting on Thursday to continue discussions. She stated that the City now has UGI's attention as they have requested a meeting.

- New Sewer Rates

Mr. Johnson stated that the RAWA bills hit homes today and the new sewer rates and recycling fees are both included in this bill. He stated that there is much confusion. He stated that a newsletter was sent in the fall explaining the new sewer fees but that the billing of the new rates was delayed due to a computer glitch. He stated that he should have resent the newsletter.

Mr. Waltman questioned if the sewer fees would be billed retroactive because of the delay. Mr. Johnson stated that they will not be.

Mr. Marmarou questioned if RAWA has the correct information to relay to customers with questions. Mr. Johnson stated that Ms. Hoag has been working closely with RAWA to ensure

that they have the correct information. She stated that they have talking points and that the City's website has been updated to include the talking points.

Ms. Katzenmoyer requested the talking points to assist when customers call the Council office with questions. Mr. Johnson stated that he will supply the talking points.

Mr. Waltman questioned the glitch that caused the delay. Mr. Johnson stated that it was due to the meter size and type so that compound meters could be addressed. He stated that it was a complex math equation.

Mr. Bembenick arrived at this time.

Mr. Waltman stated that many items on one bill can be confusing.

- Recycling Collection

Mr. Waltman questioned the recycling revenue collection. Ms. Snyder stated that there are two different types of collection – prior to 2014 for which RAWA is responsible for collecting and 2014 forward for which the City is responsible for collecting.

Mr. Waltman questioned who makes what on past due amounts. Ms. Snyder stated that she did not have this information.

Mr. Waltman questioned how partial payments are divided. Ms. Snyder stated that partial payments are spread evenly across all amounts due.

Ms. Goodman-Hinnershitz suggested that RAWA attend a future meeting to answer these types of questions. She stated that she has questions and customers have questions.

Ms. Snyder suggested that this be a topic on a future COW agenda.

Mr. Sterner stated that there have been many complaints from one person households and the elderly about the cost of recycling. He questioned a discount. Mr. Spencer stated that there was a discount but that it has been discontinued. Ms. Snyder stated that anything is open for discussion. Mr. Bembenick explained that the discount was for low income seniors and that it applied to less than 100 people. He stated that it was not cost effective to continue the program.

Mr. Acosta arrived at this time.

Mr. Johnson explained that these people are not eligible for the RAWA hardship program.

Mr. Sterner requested that this be discussed again in the future. He stated that people are struggling.

Ms. Goodman-Hinnershitz stated that people are on fixed incomes and cannot earn more money to pay higher bills. She noted the need to respect the elders of the community and not make more problems for them. She stated that Reading is a poor City and its people cannot afford higher rates.

Mr. Waltman expressed the belief that the City's recycling program is too costly. He noted the need to look at a new model. He stated that \$100 a year is too much and that there must be a better way.

Ms. Kelleher questioned the spring clean up. Mr. Johnson stated that it went well. He stated that many electronics were collected and that there were no issues. He thanked Mr. Harrity and Mr. Denbowski for their work.

- Purchasing Policies

Ms. Snyder stated that she has reviewed the updated policies. She stated that Mr. Bembenick is back to work and is feeling better. She stated that he was not able to address some issues at the last Finance Committee meeting and she questioned if the policies had a legal review. Mr. Younger stated that Mr. Coleman reviewed several versions of the policies.

Ms. Snyder stated that Council has been waiting for a year for the purchasing policy update. She suggested that Council table the ordinance for two weeks. She stated that she has several questions.

Ms. Snyder stated that Section 705 deals with contracts for professional services. She stated that the policy as written requires an RFP for services over \$34,999 unless there is a patent or copyright. She suggested a means of obtaining quotes without an RFP. She stated that this seems burdensome.

Ms. Snyder stated that clarification is needed to define approval and execution powers of the Mayor. She suggested that requiring an RFP for services with other governmental entities may violate Act 73 and requested clarification. She noted that there may be an issue with the overall use of "users" and "departments, divisions, offices and agencies".

Ms. Snyder apologized for not taking the opportunity to review the policies sooner. She stated that if they are passed as they appear this evening they will probably be vetoed.

Mr. Waltman noted the need to review the policies further to avoid another veto. Mr. Acosta agreed that Council and the Mayor do not need another point of contention.

Ms. Goodman-Hinnershitz noted the need to compare the City's policies with State policy. Mr. Bembenick stated that the State policy was reviewed during the process. He stated that the City's thresholds are lower. He stated that he did not receive this current draft for review

before it was introduced to Council. Ms. Kelleher explained that this current draft is Mr. Bembenick's version with the recommendations of the Finance Committee.

Ms. Goodman-Hinnershitz questioned if each draft is labeled to ensure the correct one is being addressed. Ms. Katzenmoyer stated that they are. Ms. Kelleher explained that it is to ensure there is no confusion.

Mr. Acosta suggested that the ordinance be tabled this evening but that the Mayor will not be pleased with the language anyway. Mr. Waltman noted the need to get the language as clean as possible.

Ms. Snyder stated that it will be on the Finance Committee agenda next week.

III. Agenda Review

Council reviewed this evening's agenda including the following:

- Resolution authorizing \$250,000 in unprogrammed CDBG funds be transferred to the Microenterprise Loan Program

Mr. Sterner questioned if there was a limit to the amount of the loan. Ms. Snyder stated that it is limited to \$35,000. She explained that the loan requires collateral so that decreases the default rate.

Mr. Spencer stated that he was not in attendance at the last meeting. He questioned why this resolution was not moved forward at that meeting. Mr. Acosta stated that Council did not have any background information. He stated that the only information received was by a member of the public at the meeting. Ms. Snyder stated that the speaker was from the Kutztown Small Business program. She stated that the agenda memo was submitted with the resolution as is typical.

- Ordinance amending Housing

Mr. Acosta stated that the Administration has requested this ordinance be moved out of pending for vote this evening.

Ms. Snyder explained that this amendment will make two changes – eliminate the need for landlords to submit tenant lists and provide for injunctive relief for inspections.

Mr. Marmarou expressed the belief that the tenant list requirement should remain. He noted the need for the City to know who lives where. He questioned why this was being eliminated. Ms. Snyder stated that due to high transiency, the lists are quickly outdated. She noted that the landlords have this information.

Mr. Marmarou noted the need to have this information to share with others regarding taxes, fees, etc.

Mr. Cituk agreed and stated that this sharing assists with collection of Per Capita, licenses, etc and also with sex offender registration for the police. Ms. Snyder stated that Per Capita collection has been outsourced. She stated that the contractor won't use the tenant lists as they have other, more accurate means of locating people.

Mr. Marmarou noted the need for students living off-campus to pay Per Capita to Reading and not to their home municipality. He stated that they get all the same City services. Mr. Acosta stated that this is a valid point but cannot be addressed here. He noted that student homes are appearing everywhere. Ms. Kelleher stated that Per Capita is paid where the EIT is paid.

Mr. Marmarou noted the need to pursue the payment of taxes at City high rises and housing developments. Mr. Acosta suggested that a letter be sent to the Executive Director of the Housing Authority about this issue. He estimated approximately 400 people per high rise and 900 people per housing development. He stated that this is a large amount of money.

Ms. Goodman-Hinnershitz stated that in her past experience, The Manor does encourage residents to pay.

Mr. Waltman stated that he did not support the increase in the Per Capita Tax because of this issue. He stated that there is no strategy to find those who are not paying and the increase penalizes those who do pay. He stated that this tax is not optional and that a way must be found to ensure that all pay.

Ms. Reed stated that there are also group homes throughout the City with several clients in each.

Mr. Waltman suggested discussing this issue at a Finance Committee meeting to devise a strategy for each type of facility.

Ms. Goodman-Hinnershitz noted the need to educate people of the need to pay their taxes and not penalize them.

Ms. Kelleher stated that Per Capita is now being billed and collected by Berks EIT. Mr. Acosta stated that they already have Earned Income data to track people. He suggested that some are not billed and others ignore the bills when they receive them.

Mr. Marmarou stated that he and Ms. Kelleher did extensive work on the Per Capita issue.

Mr. Acosta noted the need to work with the Housing Authority to ensure their residents are billed.

Mr. Sterner questioned when landlords are currently submitting their tenant lists. Ms. Snyder stated that it is submitted when applying/reapplying for housing permits.

Mr. Waltman suggested that new tenants provide proof to the landlord that the Per Capita has been paid before a lease is signed.

Ms. Snyder explained that this amendment also provides for injunctive relief for inspections.

Ms. Reed questioned if this was reviewed by Law. Ms. Snyder stated that it was.

Council voiced that they did not support this portion of the amendment. Ms. Snyder suggested that the amendment be separated into two items and be resubmitted.

Mr. Younger explained that the City is making an effort to notify the landlord and the tenant when inspections will occur. He stated that the properties are being posted with the inspection date.

- Resolution appointing Nick Wooten as Fire Chief

Mr. Spencer requested this resolution be tabled. He stated that an updated resume has been sent to Council and requested that it be reviewed. He stated that when Mr. Wooten was interviewed by the Administration, they got more detail. He noted his understanding of Council's concern that he is not qualified.

Mr. Acosta stated that he has several questions but that they must be discussed in executive session.

Ms. Snyder stated that the 3rd Class City Code was recently updated and there is now a question whether a chief can be hired from outside the department if there is a qualified candidate in the department. Mr. Younger stated that Home Rule municipalities are not always bound by all aspects of the 3rd Class City Code. He stated that he must continue his research on this issue.

Mr. Marmarou stated that it has been public knowledge that the Code was being amended. Ms. Snyder voiced her frustration that the PA Municipal League was not helpful with the amendments and that it is a large document to read.

William Thompson, a member of the public in attendance, requested permission to speak. Mr. Acosta granted permission as Mr. Thompson is President of the Reading Chapter NAACP. However, he stated that public comment is generally not accepted at Committee meetings.

Mr. Thompson thanked Council for allowing him to speak. He noted that he would like to speak regarding the appointment of the Fire Chief. He stated that his prime concern is public safety. He stated that he has reviewed the resume of Mr. Wooten and that he has 30+ years experience. He stated that he meets the qualifications for Fire Chief.

Mr. Thompson stated that the City is in a consent decree from 2007 regarding hiring minorities in the Fire Department. He stated that there has been no progress as the Department does not reflect the community. He requested that Council review the consent decree and give it credence. He stated that currently there are no black fire fighters and one Latino fire fighter. He stated that minorities need a familiar face during emergencies.

Mr. Thompson expressed the belief that race was the issue after reading it in the newspaper. He noted the need to diffuse that issue.

Mr. Waltman questioned what statement Mr. Thompson was referring to. Mr. Acosta stated that he reacted to Mr. Spencer's statement about race. He stated that he noted that Council's decision will be based on qualifications and is not about race. He stated that this became an issue only after Mr. Spencer issued a memo to that affect.

Mr. Thompson stated that this is the statement to which he was referring. Mr. Acosta stated that he was offended and that this is not a race issue.

Mr. Thompson noted that the room was full of good people. He again suggested that Council review the consent decree.

Mr. Waltman stated that the candidate must be the best qualified. He noted the need for the public to trust the judgment of Council.

Ms. Goodman-Hinnershitz stated that the consent decree should be reviewed at a future meeting. She noted the need for the public to respect the rules of Council at Committee meetings.

Mr. Thompson stated that he did not wish to make public comment on the race issue but to do so in this closed door meeting only. All present noted that this is an open meeting and the press is present.

IV. Executive Session

Mr. Acosta announced the need for an executive session regarding a personnel issue. Council entered executive session at 6:26 pm and exited at 6:46 pm.

PLA Private Sector Input

Alan Shuman, of Shuman Development Group, joined the meeting at this time.

Mr. Shuman stated that Reading wants to revitalize and increase jobs. He stated that this has been happening. He stated that the tax incentives available to projects are not worth the cost and delays of a PLA. He stated that the numbers won't work and that banks won't offer financing. He stated that this also adds another layer of bureaucracy to the process. He suggested that if this is enacted by Council there will be projects that do not happen.

Mr. Sterner questioned why Mr. Shuman felt this way. Mr. Shuman stated that PLAs will increase costs to developers. He stated that currently the developer can negotiate wages to companies who want the work.

Mr. Sterner questioned who would calculate the need for a PLA for a project. Mr. Shuman stated that it can be calculated several ways.

Mr. Acosta stated that Council was previously told that PLAs reduce the time of projects. He used the Hotel as an example and stated that it would be complete in 12 months instead of 18. Mr. Shuman suggested that the Hotel has a PLA of some kind as it is receiving public funds.

Mr. Spencer stated that the Hotel does not have a PLA. Mr. Shuman stated that they would be required to have an agreement and pay prevailing wages since they are using public funds.

Mr. Acosta questioned the time of delay. Mr. Shuman stated that it would add another layer while the Mayor's office determines if a PLA is needed and the study is completed.

Mr. Marmarou expressed the belief that the delay to the Hotel project was due to funding issues. Mr. Shuman stated that the PLA will add time as the study must be completed. He stated that the start of construction will be delayed.

Mr. Sterner noted the need for projects to have the best possible local labor. Mr. Shuman agreed and stated that he uses local labor for his projects. He stated that the large projects with PLAs do not use local labor.

Mr. Marmarou noted the need to hire local unless there is no one local with the expertise.

Mr. Spencer stated that some local companies are not large enough to handle large projects.

Mr. Acosta suggested that the subcontractors be local labor. He noted the need to secure development and to provide good paying jobs to the community. He stated that previously a figure of \$5 million for projects was suggested. He questioned if Mr. Shuman had a fair number in mind. Mr. Shuman explained that generally up to \$5 million projects do not receive public funds. He stated that the only item available would be the LERTA tax credit. He stated that he would not use LERTA if it meant needing a PLA. He used 35 N 6th St as an example and stated that it will be a \$12.5 million project. He suggested that RACP funds require

prevailing wage. He stated that the City may not even be aware of certain tax credits on projects.

Ms. Kelleher questioned if this would affect properties in the Keystone Opportunity Zone.

Mr. Waltman noted the need for a hybrid approach to encourage development and support local labor. He noted the need for key projects to move forward with a workable solution.

Mr. Shuman suggested a number of \$8 - \$10 million as that is generally the max for private funding.

Mr. Waltman stated that the Hotel project does not have a PLA but is paying prevailing wage. He questioned the benefit of a PLA. Mr. Spencer stated that each PLA is customized to the project. Ms. Kelleher stated that each study to determine if a PLA is necessary costs the City a minimum of \$25,000.

Mr. Waltman noted the need to find the right approach. Mr. Shuman also noted the need for the City to complete the study in a finite time period. He stated that he cannot miss deadlines for funding.

The meeting adjourned at 7:04 pm.

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