



COMMITTEE of the WHOLE

CITY COUNCIL

MINUTES
July 14, 2014
5:00 P.M.

COUNCIL MEMBERS PRESENT:

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

OTHERS PRESENT:

L. Kelleher, D. Cituk, R. Johnson, C. Younger, C. Snyder, V. Spencer

The Committee of the Whole meeting was called to order at 5:10 pm by Mr. Waltman.

I. RAWA Hardship program

Ms. Kelleher distributed the Resolution with the MOU attached.

Ms. Snyder described the work to create this program with existing staff. She stated that the program will not be funded with cash. Instead the City and RAWA are providing a \$75K credit that can be applied at \$150 per customer across all bills collected by RAWA (water, sewer, trash and recycling). She stated that Ms. Talbot, Executive Director of the Human Relations office will handle the cases, as it fits well with the function of the office.

Ms. Snyder explained that she signed the MOU originally, as she didn't believe it required Council approval as the budget was not impacted; however, after reconsidering she believes Council approval is required.

Ms. Goodman-Hinnershitz questions the eligibility of customers and how the funding cap was selected.

Ms. Reed inquired about the criteria used to determine the eligibility of the customers.

Mr. Acosta expressed the belief that the program is already running, as he has heard that two customers already applied and were denied.

Mr. Waltman inquired if income levels are included in the eligibility criteria.

Mr. Lloyd explained that the program applies only to owner occupied properties with owners who are current on other bills. Customers are only eligible to apply one time per year, as this program is geared to assist with temporary hardships. He stated that the amount per case may require adjustment moving forward. He noted that the \$150K cap was an estimate for this pilot program.

Mr. Marmarou noted the need to educate the public about this new program. He stated that the complaints about the increase in the per capita tax he has received are based on lack of information, rather than the increase. He stated that residents understand the City's financial struggles.

Mr. Acosta suggested posting the program criteria and details on the City and RAWA websites.

Ms. Goodman-Hinnershitz stated that the program is to address temporary financial problems, not chronic long-term financial problems. Mr. Lloyd agreed and noted that customers are only eligible one time per year. He stated that Ms. Talbot assisted in the development of the criteria, due to her experience with criteria established with other federal programs.

II. Act 111 and Amendment

Mr. Waltman questioned the resolution to support the amendment proposed by the State Senator. Ms. Kelleher stated that the sample is attached.

Mr. Waltman questioned what the proposed amendment would accomplish. Ms. Kelleher and Mr. Younger stated that the proposed amendment makes minor changes but no meaningful adjustments that would benefit the City.

Mr. Murin, Mr. Lloyd, Mr. Bembenick, Mr. Denbowski and Mr. Lachat arrived.

III. Recycling Update

Mr. Spencer suggested beginning with an executive session on the recycling litigation.

Mr. Waltman stated that a message was sent from the RAWA board chairman announcing that RAWA would begin escrowing the recycling payments. He expressed the belief that the decision to escrow should not be made by RAWA. He stated that RAWA is contracted to collect the payments and remit the money to the City. The City can then decide if it wishes to begin an escrow program for the recycling payments.

Mr. Lachat stated that RAWA is a co-defendant in the suit. Mr. Waltman expressed the belief that as co-defendant RAWA does not have the authority to decide what is done with the City's money and that as co-defendant RAWA does not take on the liability that belongs to the City.

Ms. Snyder explained that RAWA is escrowing using their own funds, not the City's recycling proceeds.

Mr. Acosta announced the need to go into executive session to discuss the recycling litigation, as per Sunshine Act §708.a.4 at 5:30 pm. Mr. Murin, Mr. Lloyd, Mr. Bembenick, Mr. Denbowski and Mr. Lachat remained in the session.

The executive session concluded at 6:55 pm and the meeting resumed.

Mr. Waltman was excused from the meeting due to a work conflict.

Mr. Bembenick reviewed the agreement with RAWA and stated that the recycling program generates approximately \$287K per month. He stated that the program can remain running in its current configuration as long as the program revenue remains in place.

Mr. Bembenick stated that if the law suit is successful, the reserve can be used to cover any expenses associated with the suit.

Mr. Acosta expressed concern about the "what ifs" associated with the program and the constraints of Act 101. He stated that the administration needs to address this problem now and not during the consideration of the 2015 budget. He expressed concern about the program adjustments required if the suit is successful. He reminded the administration that several members of Council expressed concern with the solution proposed by the administration and adopted by Council, as the "solution" was not really a solution at all. He noted that this issue will never be finally settled until the State legislators amend Act 101 or the 3rd Class City Code, which is not likely to happen before sometime in the fall of 2014.

Mr. Denbowski displayed the map showing the City's five (5) collection zones. He stated that he has started an assessment of programs run by other municipalities. He stated that the majority of 3rd Class Cities have weekly curbside collection recycling programs in place; however, the programs in local municipalities vary as they are much smaller in size than Reading.

Mr. Denbowski stated that the collection route currently in place was designed by an engineer in 2001. He stated that it would take at least 3-4 months to prepare an alternative collection route.

Mr. Spencer requested an additional executive session to discuss remedies to the suit.

Mr. Acosta announced the need to hold an additional executive session to discuss the recycling litigation and a personnel matter as per Sunshine Act §708.a.4 and §708.a.1, respectively at 6:21 pm. The executive sessions concluded at approximately 6:50 pm.

IV. Agenda Review

Council reviewed this evening's agenda. Ms. Kelleher noted the need to add the RAWA Hardship program resolution to the consent agenda and the ordinance regarding the creation of Fund 55 in the Budget to Introduction of New Ordinances.

The meeting adjourned at approximately 6:58 pm.

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