



COMMITTEE of the WHOLE

CITY COUNCIL

MINUTES
September 22, 2014
5:00 P.M.

COUNCIL MEMBERS PRESENT:

D. Sterner, S. Marmarou, D. Reed, C. Daubert, F. Acosta

OTHERS PRESENT:

L. Kelleher, S. Katzenmoyer, C. Snyder, V. Spencer, C. Younger, F. Denbowski, D. Cituk

The Committee of the Whole meeting was called to order at 5:06 pm by Mr. Acosta.

I. Reading Area Firefighters Museum Agreement

Seven firefighters museum representatives were present – W. Rehr, T. Francis, D. Silcox, B. Bansner, H. Coppenberg, D. Boyer, T. Wright

Mr. Acosta stated that these gentlemen are passionate about the project. He stated that he visited the facility and had a personal tour. He stated that the project needs the City's assistance and noted his hope that a partnership can begin. He stated that the museum board is willing to go through the strategic planning process.

Mr. Acosta noted his hope that the museum be self-sustaining within two years. He stated that this facility cannot be compared to the pagoda. He noted the need for the museum board to begin fundraising.

Ms. Goodman-Hinnershitz arrived at this time.

Mr. Acosta stated that he posted information about the museum on his Facebook page and that there is great interest. He stated that in addition to the museum, a gathering space is available and that the building has great historical value.

Mr. Acosta stated that display cases have been donated to the Firefighters Museum by the Reading Public Museum.

Mr. Acosta stated that the museum board understands their role and he explained that it was not the firefighters museum that sold the club area. He stated that the museum is ready to welcome visitors.

Ms. Snyder stated that she has asked the group to make a presentation to Council about their planning efforts to date. Mr. Acosta explained that the person that will be assisting them with their strategic plan has prior experience working with museums.

Mr. Rehr stated that the museum board has undertaken several projects at the facility at little or no cost to the City such as replacing the slate roof.

Mr. Rehr stated that he was open to questions from Council. He stated that the museum board is strictly volunteer.

Mr. Rehr stated that the utility issues at the building can be addressed. He stated that when the heating system was replaced several years ago the contractor stated that the zone valves would need to be replaced. He stated that this has not been done to date and that is a contributing factor to the high heating costs. He also explained that some costs are due to others who use the building. He stated that the museum keeps its thermostat at 60 degrees. He explained that each time the garage bay doors are opened it takes an hour to restore the temperature. He suggested that the zone valves be replaced and the different areas of the building be divided to avoid these temperature changes. He explained that the museum also only uses electric one day per week.

Mr. Acosta stated that when you visit the building the boundaries between the users are very clear. He suggested that correcting these heating issues will be a worthwhile investment.

Mr. Rehr stated that the contractor has indicated that the cost of the valve replacement will be recouped within the first year through lower heating costs.

Mr. Acosta requested that the administration work with the scuba team and the canteen individually.

Mr. Rehr stated that the museum board is also concerned about insurance issues. He described an unsafe situation caused by the scuba team. He questioned who would be held responsible for issues at the property if only the museum held liability insurance.

Mr. Acosta requested that the administration look into the insurance situation.

Mr. Bembenick and Mr. Johnson arrived at this time.

Mr. Boyer suggested that the security system passwords be updated to track who is using the building.

Mr. Rehr stated that the scuba team must understand that the City owns the property.

Mr. Rehr stated that there was steam damage in October 2012 which is still not repaired. He stated that damage occurred to the wallpaper, the woodwork, the piano and the linoleum. He stated that the museum board can make some of the repairs but that the rest will need to be done by professionals. He suggested that the museum board make the arrangements for the repairs and that they be reimbursed by the City. Mr. Spencer stated that the City does not have funds for these repairs.

Ms. Reed voiced her concern about the sustainability of this project. She stated that the City is facing serious budget deficits. She noted her love of history but stated that Council must answer to the taxpayers about how funds are spent. She suggested that the museum board work with the Berks History Center.

Ms. Goodman-Hinnershitz stated that these types of discussions will occur during strategic planning. She stated that the City cannot care for its properties but cannot lose its history.

Mr. Rehr stated that without a lease agreement with the City the museum board cannot solicit long-term investments. He stated that the inventory is complete and is maintained as new items are donated. Mr. Bansner stated that he submitted a copy of the inventory information to the law office.

Mr. Wright suggested that there may be grant funds available and asked for the City's assistance with grant writing.

Mr. Agudo arrived at this time.

Ms. Goodman-Hinnershitz suggested that the museum board also contact the Reading Public Museum. She stated that they did strategic planning before extensive improvements were made at that building. She noted her hope that this project will be successful.

Mr. Acosta requested that the Administration continue work on the agreements to address the concerns of the museum board. He stated that he is willing to work with the board on its strategic plan. He stated that the museum board has Council's support for the project but that they cannot support the project financially.

Mr. Rehr stated that many museum grants require specific staffing hours to qualify. He stated that this is currently problematic as the museum is open by appointment only.

Mr. Bansner stated that the museum has a Facebook page and a website. Ms. Reed suggested adding a Paypal link to the website to accept donations.

Mr. Acosta questioned when strategic planning would begin. Mr. Rehr stated that it will be within 30 days.

Ms. Snyder stated that she has spoken with the City's grants coordinator. She stated that museum grants are difficult at this time. She stated that most grants are now being awarded to large cities.

The museum board members left the meeting at this time.

II. 2015 CDBG Action Plan Review

Mr. Agudo reviewed the CDBG, HOME and ESG spreadsheets.

There were no questions from Council at this time.

Ms. Goodman-Hinnershitz stated that she will have questions after she has time to review the spreadsheets.

Mr. Agudo stated that ESG funding will increase 21% in 2015.

Mr. Agudo requested that Council pass the Action Plan at its November 10 meeting so that it can be submitted to HUD by the November 14 deadline.

III. Transfer from Contingency for costs associated with Maintenance of the Penn Street properties

Ms. Snyder stated that this ordinance is being introduced at this evening's meeting. She stated that approximately \$300,000 was spent by the Reading Housing Authority to stabilize the buildings. She stated that it is estimated that another \$65,000 will be needed to continue to maintain the properties through 2014.

Mr. Acosta questioned whether the invoices were due by the City or by the Housing Authority. Mr. Agudo stated that the Housing Authority requested the stabilization work on behalf of the City. He stated that the invoices are due by the Housing Authority but that they should be reimbursed by the City. Ms. Snyder stated that the invoices were already paid by the Housing Authority.

Ms. Reed questioned if there would be any additional maintenance surprises at these properties. Ms. Snyder stated that it is hoped that there will be no surprises. She noted that the longer the City owns the properties the longer the City must maintain them. She stated that she will have further recommendations regarding the properties at the October 13 Committee of the Whole meeting.

Ms. Reed questioned if the roofs were inspected after the spring hail storms. Mr. Johnson stated that they were not. He stated that he will have them assessed.

Ms. Reed stated that winter is coming and that there are many large unknowns in the 2015 budget.

Ms. Reed questioned if there was any progress with Mr. Boscov on this project. Ms. Snyder stated that Mr. Agudo and Mr. Spencer have been meeting with Mr. Boscov. She stated that the agreement is very complex and that Council will be receiving additional information.

Mr. Agudo stated that he will also be sharing the agreement with PFM. He stated that Council must approve the redevelopment agreement.

Ms. Snyder stated that the Administration is also looking at other options in case they are needed.

Mr. Sterner questioned the balance of the contingency account. He stated that there are several transfers on this evening's agenda transferring funds out of the contingency. Mr. Bembenick stated that if all requests are approved the balance in the contingency account will be \$400,000.

Mr. Acosta stated that the contingency account needs separate discussion at an upcoming meeting.

IV. 2015 Budget Schedule

Mr. Acosta clarified that the budget and related ordinances will be presented to Council on September 30 at 5 pm.

Ms. Kelleher reviewed the proposed meeting schedule. She stated that she tried to build the schedule around the Act 47 meetings so that Mr. Mann could participate.

Mr. Acosta questioned when Ms. Kelleher needed the information needed for advertising. Ms. Kelleher stated that she has not yet received the information needed. Mr. Bembenick stated that Ms. Kelleher will have the information by October 3.

Ms. Kelleher stated that October 3 is too late. Mr. Bembenick stated that the budget will be presented on September 30 and the numbers needed will be included in the budget.

Ms. Kelleher suggested that this may also be too late as this advertisement is a display ad and takes additional preparation time by the Reading Eagle staff. Mr. Bembenick expressed the belief that the ad will be prepared in time for compliance.

Ms. Kelleher stated that all scheduled meetings may not be needed but it is better to schedule them now rather than try to add additional dates during the process.

V. Rockland Street Gateway

Mr. Johnson stated that RATS has been working on this item. He stated that this design is proposed by the Wyomissing Foundation. He stated that meetings with PennDOT have begun and the design work is beginning. He displayed artist renderings.

Mr. Johnson explained that this design will green the area and make it feel more welcoming. He stated that pedestrian lighting will also be added.

Ms. Snyder stated that the project will be completed at no cost to the City.

Ms. Kelleher questioned who would maintain the green spaces. Ms. Snyder stated that it will be Public Works. She suggested that partners could be found.

Ms. Kelleher stated that there has been no communication with the College Heights Community Council on this project. She stated that she does not support this design.

Mr. Acosta noted the need to reduce the City's maintenance responsibilities. Mr. Johnson stated that he will try.

VI. Agenda Review

Council reviewed this evening's agenda including the following:

- Contract Award for the Wyomissing Park streetlight project

Mr. Acosta questioned the cost of the contract. He stated that the neighborhood will be very excited that the project is finally moving forward. Ms. Snyder explained that the bid is slightly over budget.

Mr. Johnson stated that the contractor is ready to begin pending Council approval.

Mr. Daubert questioned why the bids were so varied. Mr. Johnson stated that one bid was very low and another very high. He stated that the other two were close. He explained that the low bidder contacted the City and stated that they had omitted costs. He stated that the law office was consulted and the bid was disqualified.

Mr. Acosta questioned if this contractor had the highest bid. Mr. Johnson stated that it did not as the highest bid was approximately \$1.2 million.

- Contract Award for Indirect Cost Study

Ms. Snyder stated that the study examines work done which crosses into other offices. She stated that the study is completed annually.

Mr. Acosta questioned if the study was done to ensure the City's fees were realistic. Mr. Bembenick stated that it looks at fees but that it also looks at work done by individuals to

provide service between departments. Ms. Snyder used Ms. Kelleher's work on blighted property as an example as this cost can be indirectly associated with Community Development.

Mr. Acosta stated that this is an investment by the City to be reimbursed at a higher rate by others. Ms. Snyder agreed. She stated that the study can also be used to reimburse the general fund for work done by recycling, sewer, etc.

Mr. Cituk stated that indirect costs are in the budget and that this study helps determine the amounts.

- Firefighter Museum Lease Agreement and MOU

Mr. Acosta suggested tabling these items until the Administration addresses the concerns of the museum board. Ms. Snyder stated that it may be difficult to add these items to the agreements.

Mr. Acosta stated that as the property owner, the City must mediate these three groups so that they can better coexist. He suggested that the scuba team and the canteen be required to carry insurance and to provide the museum board with the policy information.

Ms. Snyder stated that she has been working with the museum board for over a year and this is the first time they have voiced these concerns. Mr. Younger stated that the scuba team would be covered by the City's insurance. The canteen is unknown.

Council will table the items.

Mr. Younger explained that the City covers the building. Ms. Snyder noted the need for the museum to cover the contents.

Mr. Acosta agreed but noted the need for the scuba team and the canteen to also cover the contents.

Ms. Snyder stated that she will continue her work on the agreements. She stated that the agreement of sale of the building requires the City to allow all three groups to use the space.

- Resolution authorizing Stevens & Lee to begin litigation to have the RAWA Lease signed

Mr. Acosta questioned if the Mayor changed his mind and will sign the agreement. Mr. Spencer stated that he has not.

Mr. Acosta noted the need for closure on this issue. He stated that Council support of the agreement is clear. He stated that RAWA also needs the stability and to know that the agreement is signed. He stated that without this amended agreement the \$4.7 million lease

payment must be used in the 2015 budget. He stated that if the amended agreement is not signed, Council will restart the process to disband the Water Authority.

Ms. Reed noted the importance of the amended agreement to the 2015 budget.

Ms. Goodman-Hinnershitz suggested that mediation be used to bring closure outside the court system. She questioned if RAWA would provide the \$8 million without the Mayor's signature on the agreement. She stated that this would be another legal issue.

Mr. Daubert questioned the cost of additional court action. He stated that the contingency fund only contains \$400,000. Mr. Acosta stated that the cost is unknown at this time. He stated that he will work with Stevens & Lee to keep the costs at a minimum. He again stated that the 2015 budget cannot be balanced by RAWA alone and that the \$8 million was agreed upon so that there would not be additional rate increases.

Ms. Goodman-Hinnershitz stated that at the most recent Revenue Estimating Committee meeting the Administration is using the \$4.7 million RAWA amount in the 2015 budget. She noted the need for Council to understand how using the \$4.7 million will affect the City's work force.

Mr. Acosta stated that RAWA is also concerned about being in a state of limbo.

Mr. Spencer expressed the belief that Council negotiating a contract and approving that contract removes the checks and balances of the Charter and suggested that it is a Charter violation. He distributed a packet outlining his position on the Water lease issue.

Ms. Goodman-Hinnershitz again requested a breakout of legal fees by outside attorneys in pie chart form. She stated that Ms. Reed requested a line by line review. Mr. Younger stated that the law office is working on this request. Ms. Snyder stated that it is the same information shown two different ways.

Ms. Reed stated that her constituents are livid that so much has been spent on legal fees.

Ms. Goodman-Hinnershitz suggested tabling the transfer request to Stevens & Lee and for the Charter Board until this information is received. Ms. Kelleher stated that invoices are waiting for services that were already rendered. Ms. Katzenmoyer stated that one firm has begun charging the City interest for past due amounts.

Mr. Daubert noted the need to get these invoices paid.

VII. Other Matters

Mr. Marmarou thanked Mr. Acosta for contacting Albright after the recent fire in an off campus house.

VIII. Executive Session

Mr. Younger stated that discussion of potential litigation is needed. Mr. Acosta announced that Council would be entering executive session.

Council entered executive session at 6:52 pm and exited at 7:05 pm.

The meeting adjourned at approximately 7:06 pm.

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