



COMMITTEE of the WHOLE

CITY COUNCIL

MINUTES
December 8, 2014
5:00 P.M.

COUNCIL MEMBERS PRESENT:

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

OTHERS PRESENT:

L. Kelleher, S. Katzenmoyer, C. Snyder, M. Bembenick, C. Younger, V. Spencer, D. Cituk, D. Pottiger, T. Coleman

The Committee of the Whole meeting was called to order at 5:05 pm by Mr. Acosta.

I. Independent Legal Counsel

Mr. Coleman stated that this process needs to be clarified in two areas – the purchasing policies and the Administrative Code. He stated that the purchasing policies will be amended to include independent legal counsel as a professional service and will contain a circular reference to the Administrative Code.

Mr. Coleman stated that the Administrative Code amendment does not change the current process for awarding contracts. He stated that the process for independent legal counsel, when the cost is estimated at over \$35,000, convenes a panel to review the justification of the need and the costs. He stated that if the panel agrees with the need, the contract award will be placed on the Council agenda for approval.

Ms. Snyder stated that she and Mr. Bembenick have reviewed the amendments. She stated that procuring independent legal counsel is for a specific issue only. She suggested that this be included in the contract with the firm. Mr. Coleman stated that this should be included in the contract language. He stated that the justification must also include the line item/funding source to be used to pay the fee.

Ms. Snyder stated that HUD has regulations regarding sole source contracts. Mr. Bembenick explained that HUD requires certain firms be used for sole source contracts depending on certain socio-economic situations. He stated that this will need to be addressed as needed

when independent legal counsel is required. He questioned if this language should be added to the legislation. Mr. Coleman agreed that there are some niches filled in this manner for specialty situations. He stated that there is no harm to adding this language to further clarify.

Ms. Kelleher requested Mr. Coleman explain the mediation process. Mr. Coleman stated that mediation is not binding. He stated that the mediation expenses may lead to further legal costs. He stated that each representative will present their information to the mediator separately. The mediator will then speak separately to each representative about the other party's position and begin moving toward compromise. He stated that at this point all parties would come together and continue discussions. He stated that mediation could occur before a conflict is confirmed.

Mr. Marmarou questioned if the mediator must be an attorney. Mr. Coleman stated that they did not need to be an attorney.

Mr. Marmarou stated that a citizen could serve voluntarily with no cost. Mr. Acosta stated that this is technically true but that the citizen may have questionable knowledge. He stated that neutrality is also difficult to sustain.

Ms. Reed arrived at this time.

Ms. Goodman-Hinnershitz noted the need to solve problems with the least contention. She noted the need to try to find consensus before litigation.

Mr. Coleman left the meeting at this time.

II. Recovery Plan Implementation

Ms. Snyder stated that the amended plan contains many suggestions. She stated that under the new State Act the City must either exit Act 47 or enter receivership after a five year period. She stated that this financial plan is not a roadmap out of Act 47.

Ms. Snyder stated that Mr. Kersley will be working with each department to determine the number of initiatives that can be completed in 2015. She stated that each initiative will have a timeline and departments will need to complete as many as possible. Updates will be provided to Council quarterly.

Ms. Snyder stated that the amended plan suggestions will be very painful and expressed the belief that they are not enough to bring the City out of Act 47. She stated that the plan also only addresses financial issues and not all issues facing the City.

Ms. Goodman-Hinnershitz agreed and stated that she encourages policy changes. She questioned how that would move forward. Mr. Acosta stated that Council should begin discussions.

Mr. Sterner questioned if operational audits would assist. He suggested she begin with Property Maintenance and Zoning. Ms. Snyder stated that many operational audits are needed but it is unknown if the City has the resources to complete them.

Mr. Sterner suggested that they be prioritized and as many addressed as possible. Ms. Snyder agreed and stated that she will work with the Auditor. She also suggested that additional lean office projects begin to address these issues.

Ms. Reed questioned if incentives are given to employees for making improvements. Ms. Snyder stated that they are not. She stated that she loves working directly with employees and hearing their thoughts. She stated that the teams also include members of different departments and it is good to see departments working together.

Ms. Reed suggested that the City reward employees. She also suggested that the City find incentives for non-employees. She used an example of a property owner de-converting a multi unit to a single family dwelling. She also suggested working with the Chamber to obtain restaurant gift cards as employee rewards.

Mr. Daubert expressed support for incentive programs. He stated that it would also support local businesses.

Ms. Goodman-Hinnershitz stated that Council is an employee. She noted the need for Council to consider this position when discussing legislation.

Mr. Acosta stated that the amended plan will not save the City. He stated that he did not believe in the plan and that's why he didn't support it. He stated that the City's costs will continue to rise. Ms. Snyder agreed and stated that the plan will not guarantee the City can exit Act 47.

Mr. Acosta stated that continuing to fire employees is not the answer.

Ms. Snyder stated that the City also needs to improve its economy with development and new businesses. Mr. Acosta agreed but stated that he is not counting on any large projects. He noted the need for the City to continue to work to make it easier for businesses to open in Reading.

Ms. Reed stated that the small steps also need to be taken. She stated that small, incremental improvements make people feel better about the City.

Ms. Goodman-Hinnershitz expressed the belief that the recovery plan is forestalling the inevitable but that there must be positive news. She expressed the belief that unfunded federal and state mandates force local municipalities to absorb their costs.

III. Impact of Ballot Questions

Ms. Snyder distributed copies of the new Charter language resulting from the ballot questions. She stated that words in parenthesis will be omitted and words which are underlined will be added. The Solicitor's office is responsible for updating the Charter.

The question regarding Section 904 and including the position ordinance in the budget was reviewed. Ms. Snyder stated that the format and the depth of the information to be included will be discussed as part of the 2016 budget process.

The question regarding the powers and duties of the Mayor and Managing Director was reviewed.

Ms. Goodman-Hinnershitz requested the definitions of "direct" and "supervise". She stated that definitions are needed to prevent further confusion. Ms. Snyder stated that "direct" is a higher power than "supervise".

Mr. Lloyd arrived at this time.

Ms. Goodman-Hinnershitz stated that this is easy to misinterpret.

Mr. Younger stated that without a specific definition the general definition would be used. He stated that the main issue was changing to more distinguishing language.

Mr. Daubert stated that he understands "direct" to be delegating to others and "supervise" to ensure that directives are carried out.

The question regarding the Administrative Code/Administrative Manual was reviewed.

Ms. Snyder explained that portions of the Administrative Code will remain and portions will become the new Administrative Manual. There is a six month timeline. She explained that a work group has been assembled and begins meeting next week. She stated that the work group will determine which portions of the Administrative Code will remain and which will become the Administrative Manual. She noted that the Administrative Code as it stands will be followed until the Administrative Manual is complete. She noted her hope that this process be as open and transparent as possible. She stated that Council will receive updates throughout the process.

Mr. Acosta questioned the ballot question regarding the sale of assets. Ms. Snyder stated that she does not have information on this question. She stated that legal clarification will be necessary and that it may be challenged.

IV. Agenda Review

Ms. Kelleher stated that there are changes needed for tonight's agenda. She stated that two ordinances need to be added for introduction – a budget transfer in solid waste and to repeal the local gun laws now invalidated by State law.

Ms. Snyder stated that Mr. Johnson has requested that no action be taken on the award of contract this evening and that the ordinance regarding the sewer service rental be tabled.

Council reviewed this evening's agenda including the following:

- Award of Contract for WWTP construction management

Mr. Sterner stated that he believed there was already a construction manager in place. Ms. Snyder stated that it had been Hill International. She stated that they submitted a bid but were unsuccessful. She stated that most of the original contract amount had been spent and she felt it was best to re-bid the project. She stated that W R & A was significantly lower in cost and will provide more people and time to the project. She explained that the project manager will also be re-bid.

Mr. Sterner questioned when this process began. Ms. Snyder stated that it started several months ago when the original contract amount was nearly spent.

Mr. Sterner expressed the belief that Council should have been aware of this but that they were not notified. Ms. Snyder stated that a change order from Hill International would have doubled the original contract amount. She stated that this was not in the best interest of the City.

Ms. Goodman-Hinnershitz explained that Council was very involved in the WWTP project processes in the past.

- Resolutions for RACP funds for the Goggleworks II and Restaurant Row

Ms. Snyder explained that this is state funding earmarked for these projects. She stated that reimbursement occurs after the projects are complete. She stated that the Redevelopment Authority manages this process.

Mr. Donnelly explained that these funds will provide a neighbor to Panevino which is expected to open within three months of receiving the funds. He stated that the bid process for the Goggleworks II artist housing begins this week.

- Resolution authorizing a traffic signal at S 5th & Bingaman Sts

Mr. Acosta requested that this resolution be moved off of the consent agenda so that comments can be made. Council agreed.

- Board of Health and Environmental Advisory Council position statements on fluoride

Ms. Kelleher stated that the chairs will be presenting their position statements.

Ms. Goodman-Hinnershitz questioned who ultimately decides to add fluoride to the water.

Ms. Kelleher stated that it would be the Water Authority.

Ms. Katzenmoyer explained the background of the reviews. She stated that many times those who find issue with the addition of fluoride to the water are citing studies from other countries whose water supply contains more fluoride naturally than the water in the United States.

- Ordinance authorizing the settlement of the Stevens & Lee invoices related to the Water Authority issue

Mr. Spencer stated that he will sign the agreement and authorize the bill to be paid.

- Ordinances clarifying the revocation of business privilege licenses and associated fees

Ms. Kelleher stated that there is currently no fee associated with the appeal and reinstatement processes so they will be added to the fee schedule. She stated that they are similar to other fees.

Mr. Acosta questioned why the City would revoke a business license. Ms. Kelleher stated that it would be as a last resort. She used an example of a landlord who was told many times to correct an issue but does not do so. She stated that revoking the business license shuts down that business and any others they own.

- Ordinance repealing Bill 63-2008, a local gun law

Ms. Katzenmoyer stated that this is necessary due to the new State law banning local gun ordinances.

Mr. Spencer stated that Philadelphia, Pittsburgh and Lancaster are challenging the State law. He suggested that this not be introduced at this time.

- Ordinance transferring funds in Solid Waste

Ms. Snyder explained that this transfer is due to the use of temporary employees in recycling during the legal challenge.

Ms. Kelleher announced that there were five speakers registered this evening.

The meeting adjourned at approximately 6:08 pm.

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