

City of Reading City Council
Regular Business Meeting
Tuesday, May 27, 2014

Council President Francis Acosta called the meeting to order.

The invocation was given by Councilor Goodman-Hinnershitz gave the invocation.

All present pledged to the flag.

ATTENDANCE

Council President Acosta
Councilor Daubert, District 1
Councilor Goodman-Hinnershitz, District 2
Councilor Sterner, District 3
Councilor Marmarou, District 4
Councilor Reed, District 5
Councilor Waltman, District 6
City Auditor D. Cituk
City Solicitor C. Younger
City Clerk L. Kelleher
Managing Director C. Snyder

Council President Acosta announced that the purpose of the Executive Sessions during Monday, May 19th and Tuesday, May 27th meetings were related to potential litigation.

PROCLAMATIONS AND PRESENTATIONS

City Council issued the following:

- Council Commendation recognizing National Historic Preservation Month, accepted by Preservation Specialist Amy Johnson and HARB member Cynthia LaSota

HARB presented the following Historic Awards:

- o 1615 Palm St
- o 1650 Palm St
- o 100 S 7th St
- o 210 N 5th St
- o 244 N 5th St
- o 705-707 N 5th St
- o 808 N 5th St
- o 810 N 5th St
- o 721 Madison Ave

PUBLIC COMMENT

Council President Acosta stated that there were five (5) citizens registered to address Council on agenda matters and two (2) citizens registered to address non-agenda matters. He reminded those registered about the public speaking rules. He inquired if any Councilor objected to suspending the public comment rule requiring non-agenda comment at the end of the meeting. As there was no objection, the rule requiring non-agenda comment at the end of the meeting was suspended.

Vince Rosado, of North 13th Street, questioned the lack of public dialog on the creation of a new water authority. He noted the value of the information distributed in the brochure prepared by City Council. He questioned the lack of dialog on the dissolution of the current water authority. He expressed the belief that the mayor and Council can find common ground in their desire to learn the value of the water system. He expressed agreement with the indiscretions of RAWA. He asked Council to consider tabling the dissolution ordinance. He suggested ending the war on water and learn the value of the system.

Ernie Schlegel, of Pear Street, stated that he distributed packets in response to Council's request for a two (2) year water deal. He stated that RAWA believes in supporting the City's financial needs. He described the terms of the two (2) years lease agreement which includes the funding for a valuation of the water system. He stated that the agreement is based on Council's withdrawal of the dissolution ordinance and the withdrawal of the ordinance to create a new authority. He noted that Stevens and Lee is creating the same adversities between the mayor and Council in the City of Altoona. He stated that while he has only served on RAWA for a short time, he can walk away knowing he served the authority with integrity. He stated that he is angry and disappointed with the majority of Council.

Elizabeth DaLessio, of South 6th Street, spoke about the disruptive noise emanating from the Corestacks Evergreen Power Plant. She stated that she purchased her home in 1992 and enjoyed the quiet and lovely neighborhood until 2007-08 when the Evergreen Plant began operating. She stated that she has started circulating a petition in her neighborhood about the disruption the noise creates for residents. She expressed the belief that the neighborhood was sold short when the City approved the power plant. She stated that in addition to extreme noise, especially during the evening and night hours, the plant also has created unpleasant odors and has increased truck traffic in the residential neighborhood. She stated that the noise disrupts people's ability to sleep through the night or simply enjoy watching television. She asked the City to investigate and take steps to reduce the noise from the plant.

Carl Baskin, of Fairview Street, stated that he represents Ironworkers 420 which has approximately 300 members. He stated that the organization has existed for approximately 90 years. He noted the need for local people to be employed at local projects. He stated that

there are currently two (2) major construction projects occurring in Reading that are not employing local labor. He expressed his belief that the adoption of the PLA Ordinance will employ local people in local construction projects. He suggested that Council review the ordinance used in Allentown, where the PLA Ordinance was successfully implemented.

Yvonne Gonzalez, of North 12th Street, was not present.

James Huber, of Holtry Street, was not present.

Hannah Riegel, of North 10th Street, was not present.

APPROVAL OF THE AGENDA & MINUTES

Council President Acosta called Council's attention to the agenda for this meeting, including the legislation listed under the Consent Agenda heading and the minutes from the May 12th Regular Meeting of Council. He noted the following amendments to the agenda:

1. Replacing the Consent Agenda Resolution authorizing a temporary transfer of funds within the Department of Fire and Rescue Services with a corrected copy
2. Withdrawing the Consent Agenda Resolution awarding the Penn Sq. Properties to Our City Reading
3. Replacing the Ordinance being Introduced authorizing a transfer of funds within the Department of Fire and Rescue Services with a corrected copy
4. Replacing Bill 46- 2014 with the final version
5. Adding a Resolution authorizing RAWA to bill trash and recycling services for 2014

Councilor Marmarou moved, seconded by Councilor Sterner, to approve the minutes from the May 12th Regular Meeting of Council and the agenda as amended, including the legislation listed under the Consent Agenda heading. The motion was approved unanimously.

Consent Agenda

A. Award of Contract - for the Vacant Property Registration to Federal Property Registration Corporation (**Purchasing**)

B. Resolution 66-2014 – award of the RFP for the Penn Street Properties and authorizing the Administration to Further Negotiate Contract Terms. (**Managing Director**) **WITHDRAWN**

C. Resolution 67-2014 – authorizing a temporary transfer of funds within the Department of Fire and Rescue Services in the amount of \$32,498.44 for the purchase of a refurbished ambulance to avoid a late-payment penalty (**Managing Director**)

ADMINISTRATIVE REPORT

The mayor did not provide a report.

AUDITOR'S REPORT

City Auditor Cituk read the report distributed to Council at the meeting, in summary:

- 2014 Admissions Tax update
- Real Estate Transfer Tax update
- 2014 Franchise Fee

REPORT FROM DEPT. DIRECTORS, BOARDS, AUTHORITIES, & COMMISSIONS

None.

ORDINANCES FOR FINAL PASSAGE

Pending - Further Legal Review Required

Bill 41-2014 - creating the Reading Regional Water Authority (**City Council**) *Introduced at the April 14 regular meeting*

Bill 39-2014 - amending the City Code Chapter 308, Housing, of the Codified Ordinances to eliminate the tenant listing requirement and provide for injunctive relief (**Man Dir**) *Introduced at the April 14 regular meeting; Advertised April 22*

Ordinance - authorizing a project labor management agreement for building projects in the City (Mayor's Office) *Introduced at the May 12 regular meeting; Additional review required*

A. Bill 37-2014 -dissolving the Reading Area Water Authority; and authorizing all actions necessary to effectuate the same, approving the Certificate of Termination of the Authority. (**Law/Council Staff**) *Introduced at the March 31 special meeting; tabled at the April 14 regular meeting - WITHDRAWN - DISSOLUTION COVERED IN BILL NO. 46-2014*

B. Bill 46-2014 - notifying the Reading Area Water Authority and other parties about the termination of the water lease; dissolving the Reading Area Water Authority; and and authorizing all actions necessary to effectuate the same (**Council Staff**) *Introduced at the April 28 regular meeting*

Councilor Reed moved, seconded by Councilor Goodman-Hinnershitz, to enact Bill No. 46-2014.

Councilor Daubert stated that he will not support this ordinance as he has too many unanswered questions relating to the costs associated with the dissolution, potential litigation, etc.

Councilor Waltman expressed the belief that the enactment of the ordinance will assist in resolving the issues with the authority. He expressed the belief that the City has lost control over the authority and the water asset over the past 5-7 years. He stated that the City needs to recover its public control over the asset. He stated that this ordinance is not intended to disrespect the RAWA board, past and current.

Mr. Rosado began shouting statements from the audience. Council President Acosta called Mr. Rosado out of order and asked him to stop disrupting the meeting. Mr. Rosado left the room.

Councilor Waltman expressed the belief that dissolving the authority will help the City and the water customers.

Councilor Marmarou expressed the belief that the mayor and Council can still work to resolve their issues. He also expressed concern over the costs the City and the water customers will pay to dissolve the authority. He stated that he will not support this ordinance.

Councilor Goodman-Hinnershitz expressed the belief that the water system is a public asset and that it should stay and will stay in public control. She noted her concern over the authority's operation for years. She expressed the belief that the authority's management of the water system was more private than public. She stated that after reviewing some of the authority's external audits she believes a forensic external audit is needed. She stated that the external audits report that the board was not provided with financial statements and she questioned how much other information was not provided to the board. She expressed the belief that the authority's and the mayor's positions began to change when the requests for information began. She expressed the belief that enacting the dissolution ordinance is a step in the right direction, a step that will truly protect this public asset. She noted the need to identify board members who have experience in the utility system due to the amount of reform required.

Councilor Reed stated that her agreement with the dissolution was not made lightly nor without considerable thought. She stated that the dissolution is directed at protecting the public asset and the public trust. She stated that she is confident that this is the right step to protect the water asset and its customers.

Councilor Sterner stated that he will support this ordinance and he expressed the belief that supporting this ordinance is correct. He stated that he too believes he has served the City with integrity. He expressed the belief that the position the super majority of Council is taking is correct and will protect the system.

Council President Acosta stated that he supports the dissolution of RAWA and the need for

an open and transparent RFP process for the system.

Mr. Rosado again shouted from the audience and he was called to order by Council President Acosta and asked to refrain from disrupting the meeting. Mr. Rosado left the room.

Council President Acosta expressed the belief that many problematic issues will come to light and will be corrected through the process to dissolve the authority. He noted that Council is not and has not considered the sale of the water system.

The mayor noted his disagreement with the dissolution of the authority and he questioned the need for improvements to the public control of the system, as the board is appointed by Council. He questioned if Council has attended RAWA meetings. He noted that RAWA has received awards for their operations. He questioned the statements implying that Mr. Setley and Mr. Miller play Rasputin with the RAWA board.

Councilor Waltman expressed his belief in the enactment of the ordinance and although he agreed that Council appoints RAWA board members, he noted that Council has no control of the members after they are appointed. He noted RAWA's repeated grabs for power when the City requested assistance in the past.

Ed Terrell began shouting from the audience. Council President Acosta called him out of order and advised him to stop disrupting the meeting.

Councilor Goodman-Hinnershitz moved, seconded by Councilor Reed to amend Bill No. 46-2014 to add a new section two (2) which adds the requirement for the RAWA board members to resign.

The motion to amend Bill No. 46-2014 was approved by the following vote:

Yeas: Goodman-Hinnershitz, Reed, Sterner, Waltman, Acosta, President - 5

Nays: - Daubert, Marmarou - 2

Councilor Waltman noted that Council's request for information from RAWA including a two (2) year bridge deal was made months ago and no response was received. He stated that there is no need for a long drawn out legal battle over this issue.

Councilor Reed called for the question.

Bill No. 46-2014, as amended, was enacted by the following vote:

Yeas: Goodman-Hinnershitz, Reed, Sterner, Waltman, Acosta, President - 5

Nays: - Daubert, Marmarou - 2

C. Bill 44-2014 – amending the Purchasing Policies in the Administrative Code (**Adm Services & Council Staff**) *Reviewed by Finance Committee on April 21; Introduced at the April 28 regular meeting; Tabled at the May 12th meeting; Reviewed by Finance Committee on May 19*

Councilor Goodman-Hinnershitz moved, seconded by Councilor Reed, to enact Bill No. 44-2014.

Council President Acosta stated that Council requested this amendment to the purchasing policies over a year ago and he thanked Council Staff for working with the administration to complete this task over the past few months.

Councilor Goodman-Hinnershitz noted that good legislation takes time and work. She stated that this ordinance represents good cooperation between the executive and legislative branches. However, she suggested that the implementation of the new policies be closely monitored.

Councilor Reed stated that she will not support the enactment of these policies. She expressed the belief that additional limits are needed to curtail questionable activities. She did recognize the work that went into drafting this legislation.

Bill No. 44-2014 was enacted by the following vote:

**Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Sterner, Waltman, Acosta,
President - 6
Nays: Reed - 1**

INTRODUCTION OF NEW ORDINANCES

The following ordinance were read into the record:

A. Ordinance – authorizing the transfer of \$20,000 from the Salary line of the Fire-Prevention Education Division (Fire Marshal) to the Contracted Services line of the same division (**Fire**)

B. Ordinance - amending the City Code Chapter 141 Animals, Part 2, Animal Control, by updating sections throughout, by adding Section 141-213 Limited Number of Animals Allowed Without Registration and renumbering as necessary (**Board of Health/Council Staff**)

C. Ordinance – establishing the salary of the Fire Chief, pending the approval of Resolution 65-2014

D. Ordinance –amending the 2014 Budget for the Department of Fire and Rescue Services, authorizing the transfer of funds to avoid a late payment penalty on the purchase of a refurbished

ambulance (**Managing Director**)

RESOLUTIONS

A. Resolution 65-2014 – appointing Nick Wooten as Fire Chief (**Mayor**) *Tabled at the May 12th meeting at the mayor's request*

Councilor Marmarou moved, seconded by Councilor Daubert, to adopt Resolution 65-2014.

Resolution 65-2014 was NOT adopted by the following vote:

Yeas: None - 0

Nays: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Sterner, Waltman, Acosta, President - 7

B. Resolution 68-2014 – approving the Conditional Use application to convert the commercial space located on the first floor of 1233 Green Street with one (1) residential rental unit with conditions as attached. (**Council Staff**)

Councilor Reed moved, seconded by Councilor Goodman-Hinnershitz, to adopt Resolution 68-2014.

Resolution No. 68-2014 was adopted by the following vote:

Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Sterner, Waltman, Acosta, President - 7

Nays: None - 0

COUNCIL COMMENT

The mayor thanked Council for supporting his candidate for the Fire Chief position. He questioned the rejection of the candidate. He stated that Council has not rejected other candidates.

The mayor inquired about the Councilors who have expressed concern about RAWA or its operations. He suggested that Council begin attending RAWA meetings.

Councilor Waltman stated that he has questioned RAWA's operations over multiple years. He noted that around 2007-08 he attempted to help them resolve their billing issues. He again expressed concern that RAWA no longer protects the public asset.

Councilor Goodman-Hinnershitz noted that City assets require respect and protection. She stated that she will be proposing legislation that will define Council's position for the

protection of this asset. She noted the administration's lack of concern for other assets such as Penn Street. She questioned if the mayor's office will be coordinating the placement of flowers in the street light baskets with DID. The mayor stated that he will coordinate the effort on this issue.

Councilor Goodman-Hinnershitz thanked the mayor for seeing to the repair of the pothole on Penn Street.

Council President Acosta asked the mayor to require the administrative staff to address the noise situation at Corestack's, noted by Ms. DaLessio during public comment.

Councilor Goodman-Hinnershitz moved, seconded by Councilor Marmarou, to adjourn the regular meeting of Council.

Respectfully submitted by Linda A. Kelleher CMC, City Clerk