



COMMITTEE of the WHOLE

CITY COUNCIL

MINUTES
June 22, 2015
5:00 P.M.

COUNCIL MEMBERS PRESENT:

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

OTHERS PRESENT:

L. Kelleher, B. Rivera, C. Younger, C. Snyder, M. Vind, D. Cituk, D. Pottiger, B. Kelly, V. Spencer, F. Dembowski, P. Edleman, M. Setley

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

I. Refunding the Redevelopment Authority 2006 Lease Revenue Note

Mr. Vind stated that as the first reading of ordinance to refund this revenue note was completed at the June 8 Council Meeting and no bids had been received. The refunding was part of the amended Recovery Plan where the City expected a savings of \$250,000. He directed all to the handout showing a savings of approximately \$606,000 which well surpassed the original projection. All the initiatives have been completed. The RRA resolution on the refunding was approved at the last meeting.

Mr. Acosta asked if there were any questions for Mr. Vind. No questions were asked.

II. RAWA Curbside Waste Billing

Mr. Schlegel stated that last year when he joined the board of RAWA he became very concerned about the shut offs that had been occurring due to trash and recycling delinquencies. The residents who cannot afford to make payments are dealing with the impact this causes to their families, some of which have children or seniors who require more care.

Mr. Schlegel stated that the City cannot afford to go down the same path as Detroit. The Authority has been flexible by allowing payment plans for those who have difficulty paying their bills. Unfortunately, he stated that the rising costs have not aided in helping these residents afford their bills although this is something the Authority has no real control over.

Mr. Schlegel stated that statistics show that poverty is still a very real issue in the City and that shut offs force people to do things they wouldn't otherwise do. It is unfortunate but when a resident cannot afford and does not pay their bill, the rates increase for those who do pay their bills on time and that is not fair either. He believes that the City should take back the trash and recycling and let the Authority handle the water. He stated that RAWA will work together with the City to end this billing relationship.

Mr. Marmarou asked Mr. Schlegel how other municipalities handle shut offs.

Mr. Schlegel responded that RAWA is more liberal with their approach in that they offer a payment plan which utilities do not. Other municipalities shut off the utility after a 45-day delinquency. RAWA allows up to 135 days before shutting off the utility.

Mr. Waltman stated that it is difficult to require families who are struggling to pay these bills yet the City has to collect revenues billed so a solution to this problem must be identified. He suggested that a meeting between RAWA and the City take place to look at all possible options. He stated he would be willing to assist by participating as a member of Council.

Mr. Acosta suggested putting together a committee to develop a plan to move this forward effectively.

Ms. Goodman-Hinnershitz stated that looking at this historically, having RAWA bill trash and recycling was not well thought through. She expressed agreement with Mr. Waltman's suggestion. She also expressed the belief that a timeline is of the essence.

Ms. Reed stated that she believes the trash and recycling should be separately billed and that the City take this back so that RAWA can focus on their own issues dealing with water service.

Mr. Spencer stated that the poverty status in the City is not something that will be changing anytime soon so that is not something that should be considered as a determining factor here. He stated that in the original Act 47 Plan the City was to outsource trash and recycling billing. He stated that the City has a money problem and taking this billing back, will create bigger problems. He stated that the City together with RAWA needs to determine how best to collect fees owed. There has to be a solution. He questioned how many of the shut offs are chronic cases that are repeated year after year.

Mr. Waltman stated that he is confident that a solution to this problem can be found whether it's a stand alone or a hybrid solution together with RAWA.

Mr. Acosta stated that the City cannot take trash and recycling billing back because it was outsourced due to the City's poor collection performance. He suggested looking at other options and start holding people accountable.

Mr. Schlegel stated that RAWA does not have the staffing to do the monumental task of identifying in each bill how to handle shut offs on a case by case basis. He also stated that RAWA doesn't have the staffing to evaluate the value of each property in order to put a lien on the property for lack of payment.

Mr. Cituk stated that having separate billing will increase the cost of mailings so combined billing is clearly more economical. He, too, offered his assistance in finding a solution to this problem.

Ms. Goodman-Hinnershitz stated that having the trash and recycling collected through RAWA seemed to be more effective because having water service shut off is more threatening. She expressed the belief that some people are just not budgeting their money correctly and that perhaps offering them assistance through a counseling agency may remedy some of that.

Mr. Waltman stated that he cannot believe that PFM would not be willing to allow the City to in source trash and recycling billing if it can be successfully managed.

Mr. Sterner agreed with Mr. Waltman stating that the City together with RAWA can find an effective solution.

Mr. Spencer stated that just because the City is in Act 47 doesn't mean that all the assets the City has won't be affected. RAWA plays a role here and it all boils down to the budgeting process.

Mr. Acosta asked how many of those who are delinquent in payments are landlords, businesses and owners owner-occupied properties.

Mr. Marmarou also questioned if RAWA has a list of those who are delinquent year after year and are landlords with multiple properties. Mr. Schlegel responded that RAWA does have a list and RAWA is researching that list to determine what fees can be collected and what are fees are just going to be let go.

III. Reading Parking Authority discussion

Mr. Waltman stated that the City should set up a meeting with the RPA to discuss this.

Mr. Acosta stated that meetings have already occurred and nothing was made clear in those meetings.

Ms. Goodman-Hinnershitz stated that in looking at the progression of the meetings, different information was provided. The City needs to know if RPA is going to follow through and remit the amount of money the RPA agreed to pay with a timeline.

Ms. Reed stated that the City was well aware that RPA agreed to the sum but with conditions.

Ms. Goodman-Hinnershitz questioned who was present when RPA stated their conditions and what those conditions entailed.

Mr. Spencer stated that those conditions were communicated to the administration and members of council. He stated that his understanding is that RPA will follow through with this contribution.

Mr. Acosta stated that RPA is not following through until the City agrees to their proposed rates.

Ms. Kelleher stated that RPA has yet to provide the rate they want.

Mr. Waltman suggested that we meet to get answers to the City's questions.

Mr. Spencer stated that RPA's next board meeting is Wednesday, June 24th.

Mr. Cituk stated that he can ask for a copy of RPA's 2014 audit and provide Council with a snap shot to determine what their financial status is.

IV. Other matters

Mr. Waltman stated he would like to address the UGI issues at this point. He stated that he would like to see the City gain control over this as the project is destroying the streets.

Mr. Marmarou stated that his district looks exceptionally terrible.

Ms. Goodman-Hinnershitz stated that this really has nothing to do with whose district is worse. This issue needs to be addressed by the City. UGI is very powerful and now it is time for the City to take back some control.

Mr. Spencer stated that an internal meeting took place last week to discuss this issue.

Ms. Snyder concurred stating that legal assistant Thomas Coleman has taken a lead on this UGI matter and will be working with Building and Trades, HARB and Public Works to come up with solutions. She stated that there are certain parts of this process that, by law, UGI has rights to. Mr. Coleman will be meeting with these individuals to address permitting issues that will work in the City's favor. She stated that the residents that reside in historic districts have specific rights and Mr. Coleman is researching these rights so that the City can require UGI to fix some of the problems created in those sections. The Building and Trades Division has found violations against federally registered historic districts that UGI created and UGI has agreed to make corrections.

Mr. Waltman stated that the City must stop issuing permits to UGI until we can ensure that the residents are fully informed and aware of their rights prior to relocation of these meters. He suggested putting together a group/committee devoted to ensuring that the installation of these meters is done appropriately and acceptable to City standards.

Mr. Acosta asked if there are any cities that have been successful in getting UGI to comply with properly installing meters in a esthetically pleasing manner. Ms. Snyder stated that Lancaster has had success largely due to their sizable historic districts in comparison to Reading's.

Ms. Snyder stated that the City is in a position that is willing to accept whatever assistance is offered in this respect.

Meeting was adjourned at 6:25pm.

*Respectfully Submitted by
Linda A. Kelleher, CMC, City Clerk and
Bea Rivera, Legislative Aide*