



CITY COUNCIL

Strategic Planning Committee

Monday, April 4, 2016
Meeting Report

Attending: D. Reed, M. Goodman-Hinnershitz, B. Twyman, J. Slifko, S. Marmarou

Others Attending: L. Kelleher, F. Lachat, A. Morriss, R. Johnson, W. Scott, B. Rivera

The meeting was called to order by Ms. Reed at approximately 5:04 pm.

1. UGI Repaving Projects

Mr. Johnson distributed the mill and overlay projects that UGI intends to undertake along with a copy of the projects planned by PennDOT. He noted that the projects were to take place in 2014-15 and that a backlog now exists. He stated that PennDOT will repave Kenhorst Blvd. after UGI completes their main work.

Mr. Slifko questioned if UGI is complying with the City's ordinance which requires milling and overlay repaving if two (2) or more patches are within 100 feet. He noted the vast number of streets that had UGI projects but are not included on the list provided.

Mr. Johnson stated that the Public Works Engineering team believes that UGI is in compliance with the ordinance. However, he promised to have the team reassess the list based on the information provided by Mr. Slifko. Mr. Slifko asked the District Councilors to report the streets where UGI performed projects and left the area with patchwork only. He noted that a number of streets city-wide have been left in "washboard" condition.

Mr. Twyman questioned why a backlog exists and why UGI has not completed the projects listed for 2014-15. Mr. Johnson stated that the sheer volume of the UGI projects has been difficult for the Public Works team to handle but that they have committed to keeping UGI on schedule.

Mr. Slifko noted that the state roads are not covered by the City's Street Cut ordinance. He asked Mr. Johnson how UGI projects on those roadways will be addressed. Mr. Johnson stated that he and Mark Connelly will follow up with PennDOT. He noted that the roadway at the Heister's Lane underpass is PennDOT maintained, not Norfolk Southern maintained.

Mr. Twyman inquired if UGI intends to complete the paving projects on the list provided this year. Mr. Johnson expressed the belief that UGI should begin repaving the projects on the list within the next month.

The group discussed the need to add a penalty section to the ordinance. Mr. Johnson agreed with the need to discuss this issue further with Mr. Coleman when he returns. He suggested tying the penalties to the performance bonds.

Mr. Slifko suggested reviewing this issue again in three (3) months.

Mr. Twyman stressed the need for the City to make a concerted effort to care for the City's infrastructure.

2. WWTP Update

Mr. Johnson stated that the specs for the next construction phase at the WWTP for the liquids/solids are being rewritten without the PLA (Project Labor Agreement). He stated that the RFP should be out within the next month with a 90 day response period. Ms. Morriss stated that the EPA was notified about the revision to the project completion schedule two (2) weeks ago. They have not yet responded.

Ms. Morriss left the meeting at this time.

3. Pagoda

Ms. Goodman-Hinnershitz stated that members of the Pagoda Foundation met with the mayor and his staff last Friday about the need to develop an agreement between the City and the Foundation. At the meeting the mayor expressed an interest in restoring the incline train and Mr. Olsen volunteered to prepare a rendering. She stated that Mt. Penn and the facilities located on Mt. Penn are spread out over three (3) municipalities (Reading, Lower Alsace and Alsace) and an inter-municipal meeting is planned for May 3rd.

Ms. Goodman-Hinnershitz noted that she and Ms. Reed are members of the Foundation.

Ms. Goodman-Hinnershitz noted that under the current agreement the City is required to perform the capital maintenance for the Pagoda and repairs are coordinated with the Foundation.

Mr. Johnson stated that an outside engineer has evaluated the damage to the stone wall at the Pagoda. He noted that the walls were a WPA project (Work Projects Administration, New Deal agency under President Franklin Roosevelt). He noted that projects during this period of time were not well engineered. He stated that the wall is dry-laid stone on an incline but that the wall is too steep, which is the root of the continued problem. He stated that the wall was repaired in 2014 by replacing the stones that had fallen out; however, that is not a solution to the problem. He stated that the correction of the problem will cost approximately \$500,000.

Mr. Marmarou expressed the belief that the Pagoda is a multi-municipal facility that should be supported by all Berks County municipalities, not Reading alone.

Ms. Goodman-Hinnershitz agreed noting the many organizations and businesses that have an interest or a stake in the mountain. She stated that someone reported to her recently that BAMBA may have covered some of the trails with clay and installed restrictive signs. Mr. Johnson stated that he will ask Mr. Ruyak to follow up.

Ms. Goodman-Hinnershitz noted the need for a written agreement with the Pagoda Skyline organization due to their use of the Fire Tower and repair of the stone wall that lines the roadway on Skyline Drive. She noted that the mayor would like to see the lighting at the Pagoda improved. Mr. Twyman suggested exploring solar lighting. Mr. Johnson agreed noting that many solar projects can be funded through grants.

Ms. Goodman-Hinnershitz stated that the Foundation is seeking two (2) members appointed by Council and two (2) members appointed by the mayor.

Mr. Johnson left the meeting at this time.

4. Penn Square Properties – Unwinding the Agreements

Mr. Palacios arrived at the meeting. He distributed a memo outlining the issue. He reported that Our City Reading (OCR) has not responded to any of the attempts the CD office has made to gather information on the status of the loan payments for the Goggleworks Apartments or information relating to the expenses associated with the Penn Square property grants. He stated that Mr. Coleman will contact OCR when he returns on Wednesday of this week.

Mr. Palacios stated that the CDBG loan associated with the Penn Square properties was extended but not executed. He stated that when all documents are untangled the money will need to be returned to HUD to avoid a reduction in the CDBG administrative allocation, which could negatively affect funds that support some City operations such as community policing. He noted that the City believes that OCR has spent approximately \$300K on the Penn Square properties to date.

Ms. Reed noted that after the documents are untangled a new RFP will need to be put out by the administration.

Mr. Younger expressed the belief that the City may not want to remain the owner of the properties. Mr. Scott stated that he knows of three (3) parties (two local and one from New York) who are interested in obtaining the properties and redeveloping them. He suggested requiring a minimum bid of at least \$3M to cover the City's initial costs.

Ms. Goodman-Hinnershitz asked for monthly updates on this subject.

Mr. Palacios left the meeting.

5. Contract Review Committee

Mr. Scott stated that the committee is comprised of Mr. Tangredi, Mr. Coleman and Ms. Reinhart and they review all requests for payments that exceed \$5K. Mr. Younger stated that the committee reviews all new contracts as well as invoices for existing contracts. Mr. Scott stated that the purchasing manager is pleased that this review is finally taking place.

Mr. Scott stated that the contractor (Hirneisen) retained to maintain the City's Streetlight system is working without a contract and the City currently pays out approximately \$500K annually to this company. He stated that this will be bid out.

Ms. Kelleher noted that around 2005 the Public Works staffing was reduced again and the City was unable to continue maintaining the street lighting system.

Ms. Reed inquired if Hirneisen also maintains the lighting at the Stadium. Mr. Younger offered to follow up.

Mr. Scott stated that he was feeling unwell and left the meeting at this time.

1. Other Matters

The group discussed the delay in the discussion with the Parking Authority about their financial contribution to the 2016 budget and the delay in the contributions.

Ms. Goodman-Hinnershitz suggested discussing the impact on the City budget in a committee of the whole Finance Meeting in the Penn Room with Mr. Mann after the conclusion of the April Standards of Living and Finance meetings. She noted the spreadsheet used by Mr. Mann can easily show the effect various changes can make on the City's budget. She noted that the elimination of the Commuter Tax when the City leaves the Act 47 program is a major concern.

(Note: PFM is weaning the City away from using the Commuter Tax to cover operational expenses by shifting portions of the Commuter tax revenue annually to cover Capital spending.)

Mr. Twyman suggested lobbying the State elected officials to allow 3rd Class Cities to charge a Commuter Tax outside of the Act 47 confines. He noted his intent to contact the PML to begin a relationship.

Ms. Reed suggested that members of Council begin attending Parking Authority meetings. She stated that she was on this Authority for a time during her hiatus away from Council and back then, with different leadership, the Authority was tightly managed. She expressed concern over the findings in the initial Baker Tilly report prepared about the Authority. She noted that if the

Authority defaults on any of their bond or loan payments, the City becomes responsible if the City has guaranteed the debt.

Mr. Slifko recalled that the Authority committed to a \$2.5M contribution for 2016.

Ms. Kelleher explained that the amount was contingent on the capital report for the maintenance of the garages. That report is due in draft form on April 21st and in final form on April 28th, which is why the meeting was moved to the Strategic Planning meeting scheduled for Monday, June 6th. Mr. Twyman and Ms. Goodman-Hinnershitz volunteered to attend the April 27th Parking Authority meeting.

The group discussed the need for pension reform. Mr. Slifko volunteered to research the matter.

Mr. Younger stated that the boxing program was given an extension to relocate from the Baer Park fieldhouse due to their planned tournament. The deadline was moved to May 15th. Mr. Younger was asked to provide an update at the April 11th Committee of the Whole meeting.

Ms. Goodman-Hinnershitz stated that Ms. Klahr reported to the Rec Commission that the mayor offered to cover the cost of the study of the East Reading Pool to see if it is feasible to convert it into a spray park. She stated that the anticipated cost is \$2K.

The group discussed the need to address the cleanliness of the City's gateways and key areas. Ms. Goodman-Hinnershitz stated that she is holding a town meeting on this topic on Wednesday evening in District 2. She suggested using this forum to define a plan of action.

Mr. Twyman suggested having Reading Beautification (RBI) assign various areas to different volunteer groups and neighborhood groups. Mr. Slifko volunteered to follow up with RBI.

The Strategic Planning Committee meeting concluded at approximately 6:45 pm.

Respectfully Submitted by Linda A. Kelleher CMC, City Clerk