

BILL NO. 98 - 2012  
AN ORDINANCE

AMENDING CHAPTER 1, ADMINISTRATION, OF THE CODIFIED ORDINANCES OF THE CITY OF READING, THE CAPITAL IMPROVEMENT PROGRAM AND RENUMBERING AS REQUIRED.

THE COUNCIL OF THE CITY OF READING HEREBY ORDAINS AS FOLLOWS:

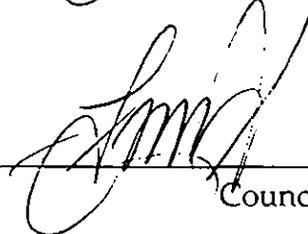
SECTION 1. Chapter 1, Administration Section 1-186 Fiscal Provisions, Part 10 Capital Program, of the Codified Ordinances is hereby amended as attached in Exhibit A.

SECTION 2: All relevant ordinances, regulations and policies of the City of Reading, Pennsylvania not amended per the attached shall remain in full force and effect.

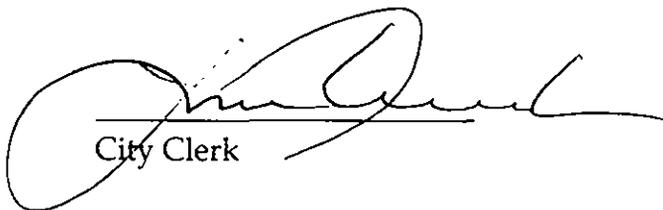
SECTION 3: If any section, subsection, sentence or clause of this ordinance is held for any reason to be invalid such decision shall not affect the validity of the remaining portions of the Ordinance.

SECTION 4: This Ordinance shall become effective in ten (10) days after passage.

Enacted Oct 22, 2012

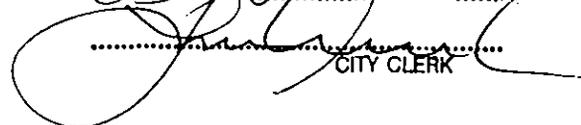
  
\_\_\_\_\_  
Council President

Attest:

  
\_\_\_\_\_  
City Clerk

Submitted to Mayor:   
Date: 10/23/12

I, LINDA A. KELLEHER, City Clerk of the City of Reading, Pa., do hereby certify, that the foregoing is a true and correct copy of the original Ordinance passed by the Council of the City of Reading, on the 22 day of Oct A. D. 20 12. Witness my hand and seal of the said City this 23 day of Oct A. D. 20 12.

  
\_\_\_\_\_  
CITY CLERK

Received by the Mayor's Office:

Date: 10/28/12

Approved by Mayor:

Date: 10/23/12

Vetoed by Mayor: \_\_\_\_\_

Date: \_\_\_\_\_

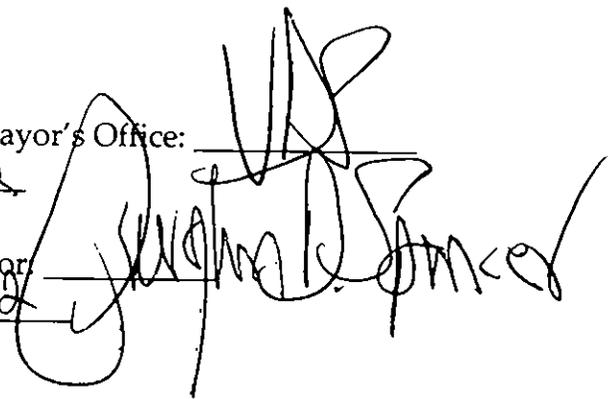
Handwritten signatures and initials in black ink. At the top, there are several vertical lines and a large loop, possibly initials 'WAP'. Below that, there is a large, stylized signature that appears to be 'J. Michael Spence'.

EXHIBIT A

CHAPTER 1

Capital Improvement Program

§1-186. Fiscal Provisions.

10. Capital Program.

A. Definitions.

1. Capital Improvement Program (CIP) – A five-year plan that shall contain eligible capital projects listed in order of priority for funding during the five-year period.
2. Capital Project – Any project funded or proposed to be funded by public monies in part or whole to build, restore, retain, rehabilitate, purchase or repurchase any equipment, property, facility, infrastructure, vehicle, hardware for information technology, park facility, or building that is to be used for the public benefit or is a public asset, and has minimum total value of \$50,000.
3. Capital Program Budget – An annual budget that shall identify the total funding and source of funding for each capital project adopted in the capital improvement plan that to be executed during the fiscal year.
4. Capital Purchase: Any purchase of a vehicle or other motorized equipment.
5. Capital Expenditure: An allocation from the capital budget for an approved capital project.

B. Capital Priorities.

Each year in the first week of May, the Mayor shall provide an annual statement of CIP priorities to the Council and to the departments funded by the CIP. The statement of priorities shall indicate substantive outcomes that the city is seeking to achieve through projects funded through the CIP and operational goals.

### C. Project and Purchase Proposals.

1. Each year in the first week of June, the Administrative Services Department (ASD) shall issue a formal request to each city department for capital project proposals. The request shall be via a standard format set by the ASD that includes an estimate of the aggregate size, in dollar figures, of the proposed Capital Budget for the fiscal year.
2. Each capital project and purchase proposal shall be submitted to the ASD by the first week of July and shall include the following:

#### For Projects:

- a) A description of the geographic location of each proposed Capital Project. If a Capital Expenditure is for a general citywide project, the description shall list anticipated locations, but note that the list may not be exhaustive;
- b) An estimated timeline for the completion of the Capital Project;
- c) An estimated total budget for the Capital Project;
- d) Any potential impact the Capital Project may have on the City's operating budget;
- e) The estimated useful life of the Capital Project;
- f) For Capital Projects related to the general maintenance of infrastructure; the total projected funds required to improve or rehabilitate the infrastructure type citywide to an acceptable state of function of repair;
- g) The departmental priority for each Capital Project submitted.;
- h) A statement of whether the Capital Project will impact public safety or public health;
- i) A statement of whether the project is CDBG eligible;
- j) A proposed source of financing;
- k) A statement of whether the Capital Project is consistent with the City Comprehensive Plan.

#### For Purchases:

- a) A description of the proposed vehicle's use;
- b) A description of the condition of the vehicle being replaced including mileage and age;
- c) The inventory of vehicles used by the department with a statement of primary purpose and frequency of use;

- d) An estimated total budget for the capital purchases.

**D. Capital Improvement Program Committee, the CIPC.**

1. The Capital Improvement Program Committee (CIPC) shall advise the Mayor and City Council on the selection and prioritization of all Capital Projects and ensure that the CIP is properly administered. The membership of the CIPC shall consist of the following nine members:

- A. Director of Administrative Services;
- B. Director of Community Development;
- C. Director of Public Works;
- D. Chief of the Fire Department;
- E. Chief of the Police Department;
- F. City Auditor;
- G. One (1) Member of City Council, appointed by the President of City Council;

2. The Chair or assignee of the CIPC shall provide a complete listing of all capital project proposals for the CIPC members to review and analyze prior to the meeting on the proposed projects.
3. The Chair or assignee of the CIPC shall produce a report on the findings of the committee.

**E. Contents of the CIPC Report.**

1. Each year the CIPC shall produce a report, as required by Section 911 (d) of the Home Rule Charter - Preliminary Feasibility Study, that details the following:
  - a) A clear general summary of its contents;
  - b) A list of all capital improvements and other capital expenditures which are proposed to be undertaken during the 5 fiscal years next ensuing, with appropriate supporting information as to the necessity for each;
  - c) Cost estimates and recommended time schedules for each improvement of other capital expenditure;
  - d) Method of financing, upon which each capital expenditure is to be reliant.
  - e) The percentage of total funds to be allocated to capital purchases versus capital projects.

2. Each capital project proposal shall be ranked by the CIPC according to the following criteria:
  - a) Projects that will resolve an imminent threat to public or employee safety or health;
  - b) Achieve compliance with federal or state statutory mandates;
  - c) Reduce expenditures in the operating budget;
  - d) Improve efficiency or effectiveness of service delivery;
  - e) Comply with the City's Comprehensive Plan;
  - f) Achieve Community or Economic Revitalization;
  - g) Any other criteria as determined by the Committee.
3. The CIPC shall also evaluate the five year CIP and propose any changes that are necessary to ensure that the plan is consistent with the City's capital needs.
4. The CIPC Report shall be provided to the Mayor by no later than the first week of September of each year, and the Chair of the Committee or assignee shall draft the report.

#### F. Submission and Approval.

1. *The Mayor shall prepare and submit to the City Council a five (5) year capital program no later than the final date for submission of the budget. The capital program shall include a Capital Budget. The proposed five (5) year capital program and budget shall be posted on the City's website for public review on the date the budget is submitted to Council.*

2. *The Mayor, with the assistance of the Managing Director, Administrative Services Director and the Director of Community Development and in accordance with the provision of the Municipalities Planning Code (PA 209.1 MPC) the Managing Director shall be responsible for developing administering the Capital Budget. The Mayor shall prepare and submit to the City Council a five (5) year capital program no later than the final date for submission of the budget.*

3. *The Council approval of capital projects in this preliminary feasibility study will require a simple majority vote in order to move on to a final approval and funding acceptance.*

#### G. Final Proposal and Financing.

1. The final capital project proposal and financing shall include:
  - a) A clear general summary of its purpose and justification.
  - b) The cost estimates and time schedule for the capital project including the cost of the post project completion audit.
  - c) The method of financing and sources upon which this capital project is reliant.
  - d) The annual cost of operating and maintaining the project to be constructed or acquired.
2. This final capital project proposal will be published and made available for the public to review (Use Notice and Hearing Notice - §912). Capital project replaces capital program.
3. The final Council approval of capital projects will require five votes to approve.
- 4. The contracts for capital projects shall be subject to the procurement process established by the Charter and the Codified Ordinances.**

**H. City Council Action on the Capital Improvement Program.** (Charter Section 912)

1. Notice and Hearing. Council shall publish in one (1) or more newspapers of general circulation in the municipality the general summary of the Capital Program with a notice stating:
  - (a) The times and places where copies of the Capital Program message and Capital Program document are available for inspection by the public.
  - (b) The time, place, and date, not less than fifteen (15) days or more than thirty (30) days after such publication, for a public hearing on the Capital Program. The public hearing shall not be on the date of a regular Council meeting or on hearing date of the operating Budget.
  - (c) The proposed Capital Program shall be available for public inspection at City Hall and copies shall be available for the public at a reasonable fee to be set by the Council.

**I. Adoption.** (Charter Section 912(3)(b))

Council must adopt an annual Capital Program by no later than December 15<sup>th</sup> of the fiscal year currently ending. If Council fails to adopt a Capital Program by December 15<sup>th</sup> then the Mayor's original Capital Program shall become the official Capital Program of the City for the ensuing year.

## **J. Capital Project Execution**

### ***Section 911. (4)(C) Capital Project Reporting.***

**1. Current Projects.** All capital projects in process must be reported on a quarterly basis and provide an update on cost, completion date, and estimated revised operating costs. This information is to be supplied by the Administrative Services Director and the Project Manager to the City Council in such a form that it is available to the public.

**2. Quarterly Report. The quarterly report on all capital projects approved for the current budget year shall be distributed to Council by the last day of each fiscal quarters. The report shall include the following:**

- a) A clear general summary of its purpose and justification.**
- b) A statement of each project's status as of the date of the report.**
- c) A statement of whether the project is 50% more or less completed.**
- d) The cost estimates and time schedule for each capital project including the cost of the post project completion audit.**
- e) The method of financing and sources upon which this capital project is reliant.**
- f) The annual cost of operating and maintaining the project to be constructed or acquired.**

**3. Extended Projects.** *If commencement of a capital project does not begin by end of the fiscal year following the year in which final approval is obtained the project must go through §911(C) (1) and (2) of and as required by the Charter §911 (d)(3), and subsections (C), (D) and (E) of this ordinance in the subsequent year.*

### **4. Post Project Completion Audit. (Charter Section 914)**

*Following completion of the capital project a complete and detailed audit must be published and made available to the public. This post audit is to be completed by an independent*

*auditor appointed by the Council. The purpose of the post audit is to confirm the estimates of costs and explain any deviation between actual and estimated costs.*