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FOR IMMEDIATE RELEASE

Mayor Commends Council on Reversing Dissolution Decision and Invites Members to Participate in Upcoming Town Hall on Water System

READING, PA – July 27, 2014 – Mayor Vaughn Spencer praised City Council for an anticipated reversal on their recent action to terminate the lease with the Reading Area Water Authority and take back the City’s water system. Learning about the decision late this week, he is relieved that the long-standing uncertainty Council’s action created can finally come to an end.

“Along with the board and employees of the authority, as well as the public at large, I am relieved to hear that Council has finally recognized both the value the water authority provides to this city and the huge mistake it would be to attempt to dismantle the past 20 years of reliable and affordable service it has provided in meeting our drinking water needs. As I have argued since the beginning, any water system decision must protect full public ownership and control, and it seems that Council now agrees with this position,” Mayor Spencer stated. “We welcome Council back to the table with the Administration and the water authority to discuss the best arrangements that meet the city’s short and long term needs while protecting one of our most vital public assets. I personally look forward to discussing the details of the arrangements, getting the board fully constituted again, and moving forward.”

On Wednesday, August 20, from 5:00 – 7:00 PM, the City of Reading will be hosting the second town hall meeting regarding the water system. The PFM Group, the City’s Act 47 coordinator, will give a presentation on the impact of an up-front payment to the City for the possible monetization of the water system. With City Council’s announcement, it is hoped that they too will also participate in the public discussion and detail what led them to reverse their position.

With the presentation of the 2015 budget only two months away, the continuation of the discussion around the state of Reading’s structural deficit is critical to develop consensus among city leaders on how to fill the gap. “The monetization of the water system still offers the most viable way to lead our city out of the fiscal crisis while reducing debt, lowering taxes to more competitive levels, covering pension obligations, and accelerating economic development. In order for Reading to stop living hand to mouth and struggling to balance the budget each year, we have to consider bold steps that still make sense,” explained Mayor Spencer.

As requested by the Administration, PFM has modeled the impact of this scenario and was invited to the town hall to inform the citizens of how an up-front payment for the water system lease will affect both the short- and long-term financial status of the city. The objective is to help the public better understand the city's financial situation and better engage them in both the 2015 budget deliberations and the upcoming amendment to the five-year recovery plan.

The town meeting will be held in the Schmidt Training & Technology Center of Reading Area Community College.

Free, supervised parking will be available in adjacent lots for the duration of the meeting.

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