



# *CITY COUNCIL*

## **Committee of the Whole**

**Monday, January 25, 2016**

**5:00 pm**

**Agenda**

*Although Council committee meetings are open to the public, public comment is not permitted at Council Committee of the Whole meetings. However, citizens are encouraged to attend and observe the meetings. Comment from citizens or professionals during the meeting may be solicited on agenda topics via invitation by the President of Council.*

*All electronic recording devices must be located behind the podium area in Council Chambers and located at the entry door in all other meeting rooms and offices, as per Bill No.27-2012.*

### **I. Reorganization Matters**

- a. Appointment of Vice President
- b. Appointment of City Clerk
- c. Ratification of Council Policy and Procedure Handbook
- d. Paperless Agendas, materials, etc.

### **II. Committee Reorganization –**

#### **Council Committees:**

1. Finance Committee – 3 Members of Council
2. Standards of Living – 3 Members of Council
3. Nominations & Appointments – 3 Members of Council (minimum)
4. Act 47 Implementation Work Group – Council Pres & Chairs of Finance

#### **Other:**

5. Code and License Appeals Board – Councilor in affected District
6. Strategic Planning – body of Council
7. EAC – 1 Member of Council
8. Diversity Board –

9. LRA – Council Pres & 2 members of Council
10. BPRC – 1 Member of Council
11. Rec Commission – 2 members of Council
12. Audit Committee– Finance Chair
13. Capital Planning Committee – Finance Chair
14. Revenue Committee – Finance Chair
15. RATS – Council Pres & Vice Pres
16. BCAP – 1 Member of Council
17. Main St – liaison – 1 Member of Council
18. BCCJAB (Berks County Criminal Justice Advisory Board) – 1 Member of Council
19. School District Work Group – Council Pres and Vice Pres
20. Reading Eagle Public Safety Committee – 2 Members (maximum)

### **III. Agenda Review**

### **IV. Other Matters**



***COMMITTEE of the WHOLE***  
***CITY COUNCIL***

**MINUTES**  
**January 11, 2016**  
**5:00 P.M.**

**COUNCIL MEMBERS PRESENT:**

S. Marmarou, M. Goodman-Hinnershitz, C. Daubert, J. Waltman, B. Twyman, D. Reed

**OTHERS PRESENT:**

L. Kelleher, S. Katzenmoyer, C. Younger, C. Snyder, R. Johnson, D. Pottiger, A. Boscov, F. Denbowski, C. Zale, D. Cituk

The Committee of the Whole meeting was called to order at 5:01 pm by Mr. Waltman.

**I. Update on Penn Square Properties**

Mr. Boscov stated that he has contacted Mayor Scott via letter but that he has not had a response. He explained that he has requested a meeting to determine if he will continue to be the developer of this project. He stated that he has heard that Mayor Scott has different plans for the site and stated that downtown projects are not easy.

Mr. Boscov explained that grant funds were used to purchase the properties and that the two large buildings have working heating systems. He stated that there is much work to be done and some additional funds have been raised. He stated that he has hesitated to begin the project if Mayor Scott does not support it.

Mr. Boscov stated that he has not yet received a response to the letter but that the letter describes the steps that need to be taken to break the developer's lease.

Mr. Waltman stated that the Mayor is not in attendance and that he has not had a chance to discuss this matter with him yet.

Mr. Boscov stated that it would have been helpful if Mayor Scott attended the meeting.

Mr. Waltman stated that it is best to wait until all have had direct contact with Mayor Scott before moving forward with this project.

Mr. Boscov reviewed the letter sent to Mayor Scott and reiterated that he is willing to continue working on the project. He stated that he had a brief meeting with Mayor Scott and that there were no positive results to date. He explained that the best use of the buildings is still unknown and that the project will not make a profit but will increase the number of people in the downtown. He stated that all the projects he has completed have cost Our City Reading (OCR) but that there must be reasons for people to visit the downtown.

Mr. Waltman explained that HUD and BEDI funds require shovel ready projects and would require approval. Mr. Boscov agreed and noted the difficulty of this project and the need for cooperation with the City to move forward.

Ms. Goodman-Hinnershitz thanked Mr. Boscov for attending. She noted the need for communication and noted that the project cannot move forward until there is direct communication with all parties. She noted the need for this communication to be in writing.

Mr. Encarnation arrived at this time.

Ms. Goodman-Hinnershitz questioned the actual condition of the buildings and noted her concern that they would follow the same path as the former Whitner's building. She questioned if there were structural issues and requested that the building's conditions also be in writing.

Ms. Goodman-Hinnershitz noted the need for Council to understand the vision of the Mayor for these properties and to have a timeline for decisions.

Mr. Boscov stated that the roofs have been repaired and there are no leaks. He stated that the windows appear to be okay and that the heating systems in the two large buildings have been addressed. He stated that there is no air conditioning at this time and that the buildings do not meet current building codes.

Mayor Scott arrived at this time.

Mr. Waltman stated that it is still early in this Administration and that they are still evaluating projects.

Ms. Goodman-Hinnershitz repeated her questions and concerns for the Mayor's benefit.

Mayor Scott reviewed the letter from Mr. Boscov and noted that he had never received it as it had been sent to his former MDJ office.

Mr. Boscov reiterated his previous comments for the Mayor's benefit.

Mr. Marmarou stated that these discussions are putting the Mayor on the spot as he has not been able to review the issue. He noted the need for time for the Mayor to review the project but he requested that there be a reply to Mr. Boscov and Council in the near future.

Ms. Reed questioned who maintains the exterior of the properties. Mr. Boscov stated that the sidewalk cave-in will be repaired in front of the buildings.

Mr. Daubert noted the amount of debris and weeds around the buildings during warm weather. Mr. Boscov stated that this is not being maintained. He repeated his previous comments and stated that he cannot guarantee who the tenants of the buildings would be. He stated that it has been suggested that one floor be devoted to start-up businesses and one floor be devoted to artists. He stated that the Goggleworks 2 project will be devoted to juried artists.

Mr. Waltman thanked Mr. Boscov for the update and recommended that there be follow up with the Mayor.

Mayor Scott noted his concern with the high cost of obtaining the buildings. He questioned why so much was spent on buildings in such poor condition. Mr. Boscov stated that most OCR properties are acquired at tax sale.

Mayor Scott questioned the acquisition of these buildings in particular. Mr. Boscov stated that the funding was designated for restoration. He described the work OCR does on homes and stated that Reading's residents are not wealthy.

Mr. Waltman noted his hope that the Mayor and Mr. Boscov meet to continue discussions.

Mr. Boscov stated that the City used \$3 million repaid to it by CNA from the UDAG loan to purchase these properties. He noted that the UDAG repayment needs to go back to the federal government. Ms. Kelleher explained that the purchase was negotiated by former Mayor Spencer.

Mr. Twyman thanked Mr. Boscov for the update. He suggested that a Boscov's Department Store be located downtown and requested a timeline for further discussions. Mr. Boscov stated that there are already three Boscov's in Berks County and a fourth is not feasible. He stated that he has located stores in downtown areas in other communities and that he is committed to the City and wants to work together.

Mr. Boscov left the meeting at this time.

## **II. Agenda Review**

Council reviewed this evening's agenda including:

- Award of Contract for tree care

Mr. Johnson stated that this contract is for pruning and removal of damaged street trees.

Mr. Waltman questioned the amount of the contract. Mr. Johnson stated that it is \$50,000.

- Resolution authorizing the hiring of probationary police officers

Ms. Snyder stated that this is the new Police Academy class.

- Award of Contract for the purchase of electricity

Mr. Johnson stated that prices are set one day at a time as electricity is a commodity. He stated that the contract would be for three years to GDF Suez at .04796 cents/kilowatt hour versus Met Ed's rate of .08123. He stated that this rate would save the City approximately \$541,000 annually and \$1.6 million over three years.

Mayor Scott questioned if the rate was locked in and who the contract would be with. Mr. Johnson stated that it is locked in. Mr. Younger stated that GDF Suez drafted the contract. He stated that the City reviewed the draft and suggested changes which were included in the final contract. He stated that this is the best offer.

Mayor Scott questioned if GDF Suez was a reputable company and what would happen if they ceased operations. Mr. Younger stated that there is no reason to believe that this

is not a reputable company. Mr. Johnson stated that the City's consultant has confirmed that this is a legitimate company and he trusts their recommendation. Ms. Snyder stated that this is a multi-national company that purchases electricity from multiple producers. She explained that if this company closes the City would pay the Met Ed rate temporarily until a new contract is secured.

Mayor Scott questioned where the money is paid. Ms. Snyder stated that the bill is paid to Met Ed who would distribute the funds to GDF Suez.

Ms. Goodman-Hinnershitz noted the need for the agenda heading to be completed based on this information.

Mr. Twyman questioned why this contract was being awarded at this time. Mr. Johnson stated that the existing contract is expiring.

- Resolution authorizing a PennDOT reimbursement agreement for the 2<sup>nd</sup> and Penn project

Mr. Johnson explained that this project is funded by PennDOT and must follow PennDOT procedures. He stated that this resolution is necessary to confirm the project is moving forward.

Ms. Snyder explained that reimbursement agreements allow PennDOT to reimburse the City with federal funds for this project.

Ms. Goodman-Hinnershitz noted the need to address other Penn Street crosswalks.

- Resolution authorizing the 2016 bank accounts

Mr. Waltman explained the need to authorize the bank accounts annually.

- Resolution appointing the District 6 Councilor

Mr. Twyman stated that when he began as a Councilor this process had already started. He questioned the criteria for applicants and when the 30 day time period begins. He stated that he does not feel that he is up-to-speed on this appointment.

Mr. Waltman stated that he was clear early on that he would accept the Council President position. He stated that the vacancy was advertised in December over a two week period. He stated that applications were received and interviews scheduled. He stated that the interviews were held on January 6, where Mr. Twyman was participating, and the requirements for applicants have not changed.

Mr. Twyman stated that he came into the process late and questioned when it began. Mr. Waltman stated that the seat was officially vacated on January 4. He stated that the ad was run in December to be able to keep Council moving forward. He stated that there were only two applicants.

Mr. Twyman questioned if this recommendation came through the Nominations & Appointments Committee. Mr. Waltman stated that this recommendation comes through the body of Council and was not addressed in Committee. He noted the need to fill the seat quickly and noted his sense that people believe the process is unfair.

Mr. Twyman stated that he does not feel like he is part of the decision. Mr. Waltman questioned specifically what part Mr. Twyman was not a part of.

Mr. Twyman stated that it is a conflict for Mr. Slifko to be involved in the process to reappoint himself to this position. (*Note: Mr. Slifko was not involved in the process except as an applicant.*) He noted his understanding that there is a short timeline. Ms. Kelleher stated that Council has been using this same process to fill vacancies for many years. Mr. Waltman stated that he has worked hard to be forthright and inclusive with all involved.

Gary Wegman arrived at this time.

Mr. Daubert stated that both candidates interviewed well. He explained that the appointment process is governed by State law and must be upheld.

Ms. Goodman-Hinnershitz stated that she applied for a vacancy in District 2 in 2003 after she won the democratic primary and was not appointed. She stated that she was elected to the seat later that year.

Mr. Marmarou noted the need for Mr. Twyman to understand Council's policies and procedures.

Matt Connell, Esq. arrived at this time.

### **III. Parking Authority 2016 Contribution**

Mr. Waltman gave a brief background of this issue.

Dr. Wegman stated that Mr. Waltman's background is accurate. He stated that the Parking Authority had several unforeseen issues occur in 2015 but that they are trying

to comply with the \$2.5 million contribution. He stated that a large tenant was also lost in 2015.

Dr. Wegman stated that the Parking Authority is completing a study of all its garages to complete a five year capital plan. He stated that it is possible that the contribution can be made in full but that it is unknown at this time. He stated that the Parking Authority must do a better job of communicating with the City about its financial responsibilities in future years.

Mr. Waltman questioned when the study would be complete. Dr. Wegman stated that he hopes it will be complete within the next 60 days and that he will send it to Ms. Kelleher for distribution.

Mayor Scott questioned the current amount of the Parking Authority's reserves. Dr. Wegman stated that he believes it is approximately \$2.3 million but that he must confirm that.

Mayor Scott questioned the amount of the reserve when the Parking Authority committed to its 2016 contribution. Dr. Wegman stated that it was approximately \$2.9 million but that included the proceeds from the sale of the garage.

Mayor Scott questioned which garage was sold. Dr. Wegman stated that it was the Abe Lincoln garage.

Mayor Scott stated that he is meeting with the Parking Authority next week. He announced that he would be restructuring the Board and hiring a new executive director. He noted the need to increase revenue without burdening the taxpayers. He stated that he will be addressing the Parking Authority within his first 90 days in office. Dr. Wegman stated that he welcomed the conversation and confirmed that Mr. Mulligan is no longer the executive director. He stated that he welcomes new leadership.

Dr. Wegman left the meeting at this time.

#### **IV. Executive Session**

Mr. Waltman announced the need for an executive session on legal matters. Council entered executive session at 6:20 pm and exited at 6:58 pm.

The meeting adjourned at 6:58 pm.

*Respectfully Submitted by  
Linda A. Kelleher, CMC, City Clerk*