

## READING PARKING AUTHORITY

### **Minutes of Reading Parking Authority Board Meeting – June 26, 2019**

#### I. Executive Session.

The Reading Parking Authority (“RPA”) Board of Directors met in executive session prior to the start of the regular board meeting to discuss pending litigation.

#### II. Meeting Called to Order.

The regular board meeting (“Meeting”) was called to order at 5:40 p.m. It was held at the Penn Room, Reading City Hall, 815 Washington Street, Reading, PA 19601.

#### III. Individuals Present for the Meeting.

##### **RPA Board Members:**

Linda Burns-Glover, Chairperson

Bill Murray, Secretary

Lawrence Miller, Vice Chairperson

**Others Present:** Michael McGrath, RPA Finance Manager; James Frank, RPA Facilities Manager; Mark G. Yoder, Esquire, General Solicitor; Charles Younger, RPA Deputy Director.

**Members of Public:** Jeremy Long, Reading Eagle; Wellington Santana; Ed DeTullio, Desman; Mark Vergenes; Cheryl Quigley; Paul Phillips and George Roscher.

#### IV. Pledge of Allegiance.

#### V. Moment of Silence.

#### VI. Public Comment.

A. Wellington Santana. Mr. Santana advised the Board that he noticed an available employee position with RPA, on a website other than the Authority’s website. The position he is interested in is Enforcement Supervisor. He inquired as to why that employment opportunity does not appear on the RPA site. He was advised that the Board will ask Executive Director MacDougal about employment opportunities appearing on the RPA site when he is available. Deputy Director Younger advised that all applicants are encouraged to apply. He suggested that a Letter of Intent, together with a résumé could be delivered to the RPA office to the attention of Mr. Younger. The Board generally discussed the application process for open positions. Mr.

Santana advised that he had appeared at the RPA office, but it was difficult for him to make a complete application given the high level of activity in the office. Mr. Santana had a résumé available for hand delivery to Mr. Younger. Mr. Younger accepted the résumé for review and advised that he or another RPA representative would be in contact with Mr. Santana. Mr. Santana thanked the Board for its attention and left the meeting at this time.

VII. Approval of Meeting Minutes.

Mr. Lawrence Miller made a motion to approve the minutes of the June 6, 2019 RPA Board Meeting. The Motion was Seconded by Mrs. Linda Burns-Glover. Motion passed unanimously.

VIII. Approval of Accounts Payable.

Mr. Lawrence Miller made a motion to approve the RPA accounts payable via the RPA's general fund for invoices through June 26, 2019 in the total amount of \$349,685.94. Seconded by Mrs. Burns-Glover. Motion passed unanimously.

IX. Labor Solicitor Report. None.

X. Solicitor's Report.

A. Reading Hospitality. Mr. Yoder advised that Berks County Court of Common Pleas Judge Sprecher issued an Order adverse to RPA, entering judgment on the pleadings in favor of Reading Hospitality on June 6, 2019. The consensus of the Board was to continue negotiations with Reading Hospitality. The Solicitor advised that the Appeal period on the litigation will expire before the date of the next Board meeting. Mr. Lawrence Miller made a Motion to authorize the Solicitor to file an Appeal of the adverse ruling in the time provided by Pennsylvania rules. That Motion was seconded by Mrs. Burns-Glover and passed unanimously. The Solicitor was encouraged to continue communications with Reading Hospitality with a view towards agreement upon an arrangement satisfactory to both parties.

B. Reading Royals. Mr. Yoder commented that the Finance Director of RPA has completed a spreadsheet for 2019 concluding with an amount calculated to be due to the Royals, using a basis for calculation consistent with the spreadsheet prepared for the period ending December 2018. After discussion, Mr. Lawrence Miller made a Motion to authorize the Solicitor to negotiate settlement of the Reading Royals limitation in an amount consistent with the 2018 and 2019 calculations of the RPA Finance Department, supplemented in accordance with the Board consensus reached in the executive session preceding the meeting. That Motion was seconded by Mrs. Burns-Glover and passed unanimously.

XI. Executive Director Report.

A. HUB Gate Update. In Mr. MacDougal's absence, Mr. Younger provided an update on the HUB gate installation. Mr. Vergenes supplemented the report concerning gate installation. The new gates at Second and Washington are operational. Facilities Manager James

Frank advised the Board that the gate system is working very well. He remarked that the lanes on the gates can be reversed to allow two lanes of entry or two lanes of exit, depending on event timing. The validation system is also working well, and data relating to vehicles entering and exiting the lot is being captured at a central location at the RPA office. It is expected that the new gates at the Doubletree will be operational on or about July 9, 2019, and the new gates at the lot at Reed and Court will be operational in late July. The Authority will then proceed to install the gates at its other lots, while transitioning permittees to the new system. RPA should see revenue increases, based on more consistent and effective gate operations.

A warranty has been issued to RPA for the Second and Washington installation. That warranty is effective for one year.

Mr. McGrath advised that RPA personnel are busy issuing access permits to group permittees. Several issues have arisen, especially with larger groups. Companies have resisted the effort to obtain signatures from all permit holders. It is necessary, however, to obtain vehicle license and registration information to assure accurate tracking under the new gate and permit system. Mr. McGrath advised that the RPA office may need temporary assistance for a relatively short duration until all permittees have been issued new permits for the new system. Mr. Lawrence Miller made a Motion to authorize the engagement of temporary personnel, as required by Mr. McGrath, and for a duration as determined by RPA management. That Motion was Seconded by Mrs. Linda Burns-Glover and passed unanimously.

Discussion continued with regard to the process of switching out permits to the new gate system. Mr. McGrath has been asking permittees to pick up access cards and present identification at that time. Again, resistance has been encountered and RPA personnel have been visiting businesses to make the process easier for groups of permit holders.

Overall, the Board and Management are optimistic about the benefits to be gained by RPA with implementation of the new gate system.

Mr. Murray commented that the Redevelopment Authority has voted to transfer the Cherry Street lot to RPA. The Authority Solicitors will finalize the documentation required to accomplish the transfer to RPA.

B. Desman Update. Mr. DeTullio of Desman advised that the contract to repair and upgrade several lots went out to bid anticipating four (4) contracts. Those contracts are General Contractor, Electrical Contractor, Mechanical Contractor, and Plumbing Contractor. Two bids were received for the General Contract, both of which were determined to be defective, resulting in no valid bids for the General Contract work. No bids were received for the Mechanical Contract. Valid bids were received for review for both the Electrical Contract and Plumbing Contract.

Because of the failure to receive valid bids for the General and Mechanical components of the work, the contracts went out for bidding a second time a week after the original bid opening. All of the original bidders, as well as other prospective contractors who obtained documents as part of the first bid process were notified. To date, three (3) contractors have

expressed interest in the General Contract work, and five (5) contractors have expressed interest in the Mechanical Contract. A pre-bid meeting has been held and questions raised by the contractors have been answered. Mr. DeTullio is hoping for three (3) bids on each of the open contracts. After bids have been removed and a valid low bidder has been determined, standard form AIA Contracts will be prepared. The second bid opening is scheduled to occur on July 10, 2019 at 2:00 p.m. at the RPA offices.

Mr. DeTullio advised that contractors are very busy during this summer season. He believes that, since the mechanical work would occur late in a project which will take between 12 and 18 months, some mechanical contractors capable of performing the work have elected not to bid.

C. LPR UPDATE. Facilities Director James Frank advised that the LPR system is working very well and is a very effective means of parking enforcement. The Board had no questions in that regard.

## XII. Deputy Director Report.

A. 600 block, North 8<sup>th</sup> Street. Mr. Younger distributed a memo to each member of the Board with regard to permit-restricted parking along the 600 block of North 8<sup>th</sup> Street. Residents have requested elimination of the permit system on that block. A public hearing had been scheduled for June 15 and no members of the public attended. Notice has been provided to property owners on the block. No objections to removal of the permit system have been received. A draft of an Ordinance has been prepared and has been delivered for consideration by City Council. Mr. Younger believes that the Ordinance to rescind the designation of the 600 block of North 8<sup>th</sup> Street as a permit only parking block will be taken up for consideration and a vote by City Council in the next several weeks. He explained that the process to rescind the permitting requirement for a specific block mirrors the process to implement permit parking for a particular block, but in reverse.

## XIII. Finance Manager Report.

A. May Year-to-Date Financials. Mr. McGrath distributed financial reports for the month of May, 2019. Highlights of the report were reviewed and discussed. Year-to-date through May 2019 revenues of RPA have exceeded budgeted levels by approximately \$97,000. Mr. McGrath remarked that most of that increase is due to collection of fines for violations. Expenses through May 2019 are under budget by \$132,000. Overall, the financial performance of RPA is at favorable variance from budgeted levels through May of 2019.

Mr. McGrath noted a positive trend in revenues, year-to-date. However, revenues were slightly down in May compared to April.

The balance sheet indicates positive cash flow and an increase in net cash available. The Authority is currently holding a large cash reserve. Mr. McGrath is expecting account receivable levels to decline through the year, due to tighter controls in place by virtue of the upgraded grate system.

Mr. McGrath advised that the debt service reserve fund had been overfunded. Some of the cash in that account has been moved to the clearing fund.

Some fixed asset expenses have been incurred but have been shown as construction in progress resulting in lowered depreciation levels. Mr. McGrath advised that several capital items have been fully depreciated, necessitating an adjustment in the depreciation figures. Year-to-date through May 2019, RPA has experienced positive cash flow in an amount of approximately \$617,000.

In response to a question for Mr. Murray, Mr. McGrath advised that he does not have financial information broken out by gate or lot. The finance office has been very busy implementing the new permitting system. He recognizes that such information will be useful to the Board and he will begin work on that level of financial detail when the gate system and permitting changeover has been largely accomplished.

A draft Audit Report has been received from Herbein & Company. The auditors recommend a meeting with the Finance Committee of RPA to take place on either July 15 or July 16, 2019. Mrs. Burns-Glover appointed the committee consisting of herself and Mr. Lawrence Miller to meet with the auditors. Depending on timing, Mr. Murray or another Board Member may substitute into that meeting, to assure that two Board members attend. Mr. McGrath asked for responses from Mr. Miller and Mrs. Burns-Glover by Monday, July 1, 2019 concerning their availability to meet with representatives of Herbein & Company.

Mr. McGrath advised that a representative of RBC Financial will be in attendance at the July RPA Board Meeting to present information regarding refinancing of RPA existing debt, and new credit availability for capital projects. RPA has received multiple proposals which are currently under review by RBC Financial. Mr. Murray suggested that RBC should provide a preview to the Finance Committee of RPA, possibly at the meeting to be scheduled with Herbein & Co. on July 15 or July 16. He hopes that the Board will have financing information in advance of the July 24 meeting for consideration of financing options.

Mr. Murray commented that a meeting between RPA representatives and City Council went very well. He complimented the work of Mr. McGrath in organizing financial information for review in an understandable way. Open discussion, with understandable financial information in hand, will continue to improve the working relationship between RPA and City Council.

#### XIV. Public Comment. (Continued)

A. Paul Phillips. Mr. Phillips advised that he lives in the Rose Apartments at 815 Franklin Street. Both the Rose Apartments and the nearby Eisenhower Apartments have 176 units. Occupancy there is restricted to low income individuals; however, more occupants own vehicles than in prior years. The area was not designed for ease of parking for as many vehicles as are currently owned by residents of the high rise apartment buildings, together with neighboring residents. Mr. Phillips remarked that it is stressful and expensive to continue to pay

for metered parking, all day every day. The Board suggested that he discuss the situation with Sergeant Rothenmel of the police department. Mr. Phillips stated that he is disabled. He was told that he may have an opportunity to obtain some free time at handicapped parking meters. Mr. Murray advised him that RPA is aware of the tight parking situation in several areas of the City. The Board believes that the new parking system, which will allow RPA to accurately track periods of high and low usage at the lots, may allow RPA to offer discounted parking during low volume hours at lots around the City.

B. Cheryl Quigley. Ms. Quigley advised the Board that her car had been impounded for parking violations. She had been advised by unnamed individuals that the procedures followed were improper. The Board encouraged her to speak with the Director or Deputy Director to determine whether RPA has followed proper procedures in her case. The Board is concerned that management and its enforcement officers consistently follow procedures in all situations involving violations, and especially instances of impoundment of vehicles.

XV. Board Member Reports.

A. Linda Burns-Glover. Mrs. Burns-Glover commented that management should be certain to review the application or résumé of Mr. Wellington, who appeared before the Board earlier in the meeting. She was assured that that would occur.

Mr. Frank invited Mr. Burns-Glover to review the LPR system now in use by the Authority.

B. Lawrence Miller. None

C. Bill Murray. Mr. Murray commented that the employees voted against the most recent offer made in negotiation of a collective bargaining agreement. Negotiations will continue.

XVI. Old Business. None.

XVII. New Business. Mrs. Burns-Glover commented that RPA should consider neighborhood electric vehicles, which can travel up to 40 miles on one charge.

Mr. Frank advised that the goal of the RPA is to increase mileage and reduce fuel consumption for its entire fleet.

General discussion occurred with regard to installation of charging stations for electric vehicles at RPA lots. Overall, the goal of encouraging fuel savings and moving to a greener transportation system is consistent with the stated environmental goals of Reading City Council. RPA will encourage all steps in that direction, and will look into increasing the number of charging stations it makes available for patrons of its lots.

XVIII. Motion to Adjourn. Mr. Lawrence Miller made a motion to adjourn at 7:00 p.m. Mrs. Burns-Glover seconded the motion. The Motion passed unanimously.

The RPA's next regular Board Meeting of the Board shall be held on Wednesday, July 24, 2019 at 5:30 p.m. at Reading City Hall, Penn Room, 815 Washington Street, Reading, PA 19601. An executive session will take place at 5:00 p.m., prior to the meeting.