

READING PARKING AUTHORITY

Minutes of Reading Parking Authority Board Meeting – February 25, 2020

1) **Meeting Called to Order.**

The Reading Parking Authority's regular board meeting was called to order on February 25, 2020, at 5:40 p.m. by Frank Denbowski, Chairperson. It was held in the Third Floor Conference Room, Reading City Hall, 815 Washington Street, Reading, PA 19601, pursuant to notice published and posted according to law.

Individuals Present.

RPA Board Members:

Frank Denbowski, Chairperson

Timothy J. Profit, Vice-Chairperson

Julia Domena, Treasurer

Nate Rivera, Secretary

Daniel Laws, Assistant Secretary

Others Present: Nathan L. Matz, RPA Executive Director; Michael McGrath, RPA Director of Finance; Kristen Stubblebine, RPA Office Manager; Cynthia Sanzo, RPA Accounting Supervisor; James Frank, RPA Facilities Manager; and Mahlon J. Boyer, Esquire, General Solicitor.

Members of Public: Jeremy Long, Reading Eagle; Danielle Reardon, Paragon Consulting Group; Ed Detullio, Desman Design Management; Angela Reifsnyder; Zach Focht; Mark Sanford and Manuel Molina.

2) **Pledge of Allegiance.**

3) **Moment of Silence.**

4) **Public Comment.**

Mark Sanford addressed the Board. He said that he had a two-year-old parking violation from the Convention Center Garage. He was cited for backing into a parking space rather than forward facing in compliance with posted regulations. He said that he wants to appeal the violation. He has contacted the Authority office approximately six or seven times but has not

received a response. Mr. Denbowski told Mr. Sanford to contact Kristen Stubblebine to address this matter.

5) Approval of Minutes.

Mr. Laws made a motion to approve the January 21, 2020 Board Meeting Minutes. Second by Mr. Profit. Motion passed unanimously.

6) Approval of Accounts Payable.

Mr. Profit made a motion to approve the Authority's accounts payable invoices for February 2020 via the Authority's general fund in the total amount of \$643,004.65. Second by Ms. Domena. Motion pass unanimously.

7) General Solicitor Report.

a) Nepotism Policy.

The Authority Solicitor, Mahlon J. Boyer, Esquire, presented a Resolution to adopt an employment of relatives policy. The policy is meant to ensure that Authority practices do not create conflicts of interest or favoritism based on the employment of family members, close relatives or those in a dating relationship. Mr. Denbowski commented that the Authority Board wants to ensure fairness at the Authority. He said that a policy like this did not exist before and it is necessary as part of the Authority's best practices. It is important to prevent conflicts of interest. Mr. Laws made a motion to approve the Resolution. Mr. Profit seconded the motion. Motion passed unanimously.

b) Employee Communications and Complaint Procedure.

The Solicitor presented a Resolution to amend the Authority's Employee Complaint and Communication Procedure Policy that was adopted on January 21, 2020. Mr. Denbowski said that the prior policy was seen as too restrictive. The prior policy was meant to formalize a complaint process. It was not meant to stifle or prohibit complaints and communications among Authority employees. The amended policy permits direct communications with Authority Board members. The amendment is based on Authority employee and staff feedback. Mr. Rivera made a motion to approve the Resolution. Ms. Domena seconded the motion. The motion passed unanimously.

c) Resolution for Transfer of N. 2nd St. Property.

The Solicitor presented a Resolution to complete the transfer of the real property known as 27 N. 2nd Street from the Reading Redevelopment Authority to the Reading Parking Authority. The Resolution completes the transfer of the property based on the Parking Authority's prior payment to the Redevelopment Authority. The Parking Authority and Redevelopment Authority had been parties to a lease by which the Redevelopment Authority leased that property to the Parking Authority. The lease contained a provision that permitted the Parking Authority to pay

the balance of the lease, which it did in 2019. The Resolution permits a final closing on the transfer of the property to the Parking Authority. Mr. Profit made a motion to approve the Resolution. Mr. Laws seconded the motion. The motion passed unanimously.

d) Re-appointment of Professionals.

Discussion was held in regard to the re-appointment of Herbein & Company to perform an audit on behalf of the Authority. Herbein has completed audits on behalf of the Authority for several years. It also acts as the auditor for the City of Reading. Re-appointment of Herbein was necessary for the audit of the Authority's 2019 fiscal year. Mr. McGrath confirmed that Herbein's fee of approximately \$13,000 is the same as Herbein charged for its audit for the 2018 fiscal year. The audit is scheduled to start in April 2020. Mr. Laws made a motion to re-appoint Herbein as the Authority's auditor for the completion of an audit for the 2019 fiscal year. Second by Ms. Domena. The motion passed unanimously.

e) City/RPA parking study and payment.

Discussion was held in regard to a parking study that the Authority and the City of Reading were going to jointly undertake. The Authority and the RPA had prior discussions to begin the parking study, but the retention of a contractor to perform the study has not yet occurred. Mr. Denbowski said that the matter could be discussed with the City in a future meeting that is planned with the City. The Authority and the City are going to discuss the Authority's annual lease payment to the City. The City and the Authority need to exchange dates for that meeting.

8) Labor Solicitor Report.

No report.

9) Executive Director Report.

a) Event revenue update.

Mr. Matz discussed the implementation of convenience-based pricing for events. He said there was a revenue increase in regard to Royals home games. The revenue from the Royals home games in January 2019 was approximately \$9,600 compared to January 2020, which was \$24,400. Mr. Denbowski asked why the revenue has increased so much. Mr. Matz noted that there were many factors in that regard. There was an increase in attendance. There was an extra home game this year. The increased revenue is also based on the new convenience pricing structure that the Authority has implemented.

b) Penn State Health St. Joseph Permit Agreement.

Mr. Matz presented an Extension to Parking Facilities Agreement between the Authority and Penn State Health St. Joseph. The Authority and Penn State had been parties to a Parking Facilities Agreement that had an effective date of August 1, 2018. That Agreement expired on

July 31, 2019. The Extension Agreement continues the relationship of the parties. Penn State will continue to lease parking spaces at the Poplar and Walnut Garage. Pursuant to the Extension Agreement, Penn State will lease 240 parking spaces from the Authority compared to the 220 spaces in the prior agreement. The Extension Agreement will have an effective date of August 1, 2019, with three one-year terms. Penn State has also requested, and the Extension Agreement provide an ability of Penn State to acquire more parking spaces if needed. Mr. Matz noted that the solicitor had reviewed the Extension Agreement. Mr. Laws made a motion to approve the Extension Agreement. Mr. Profit seconded the motion. The motion passed unanimously.

c) Alvernia University.

Mr. Matz said that the Authority has been in ongoing discussions with Alvernia University in regard to its possible location in the City of Reading. Thus far, Alvernia and the Authority have had positive discussions.

d) Summary of Peter R. Johnson Report.

Mr. Matz confirmed that Peter R. Johnson has provided its final report. That report provides significant information for the Authority, including an organizational chart and applicable salary ranges for Authority employees. It also helps to set employee goals and provides up-to-date job descriptions among other information that the Authority will be able to utilize for its employees and operations.

e) Desman Update.

Ed Detullio, on behalf of Desman, addressed the Board. He is a structural engineer. He said that the capital improvement project for the Authority is set to go out to bid on Friday, February 28, 2020. It will be an advertised public bid. There will be a mandatory pre-bid meeting. He expects it will take a couple weeks for contractors to review the bid documents and to develop any questions they may have. Desman will then review the bids with the Authority at the bid opening. Mr. Denbowski noted the need to move the scheduled March Authority Board Meeting to coincide with the bid opening.

Mr. Detullio said that some of the prior successful low bidders on the project, when it was bid in 2019, had been local contractors. However, it is hard to get local contractors for some of the work because it is specialized. He is hopeful that work can begin on April 1, 2020. Mr. Detullio confirmed that Desman will act as the project supervisor on behalf of the Authority during the project, which is slated to take approximately 18-20 months.

Mr. Denbowski said that he met with Mr. Profit and Desman. He is happy with the RFP that Desman is issuing. It is a very thorough bid. Mr. Profit said that the bid is laid out very well and that the Authority will get good bids in response.

f) Mirus Update, Larry Cohen Report.

Mirus provided a written update to the Board. The written report confirmed that the PARCS installation has been completed at all of the Authority's garages. Some action items that remain include the integration of the PARIS software with the JMS software. Staff training schedules are also ongoing as needed. The Mirus Report also noted that Mr. Vergenes had been working with Mr. Matz to develop a strategic plan for the Authority. Mr. Vergenes also worked with Mr. Matz to provide a "parking 101" presentation to the Board. The date for that presentation has not been determined yet. Mr. Denbowski asked if the work of Mirus Consultants on behalf of the Authority is complete. Mr. Matz confirmed that the contract with Mirus has ended.

Discussion was held in regard to the possible retention of Larry J. Cohen Consulting. Mr. Rivera asked what would be provided. Mr. Matz confirmed that Mr. Cohen would assist in training and strategic plan support and continued support with the ongoing transition of the City Administration, the new RPA Board of Directors and the Senior Management Team of the Authority. Mr. Profit said, before the Authority has a strategic plan, that it needs to understand the City's vision for the future. The retention of Mr. Cohen should be tabled until there is input from the City. Mr. Rivera agreed and said that City input is needed for a strategic plan. Mr. Rivera wants to stay away from consultants and instead wants to use the Authority's current staff. Mr. Profit said that he wants the Authority's and City's visions for the future to coincide. Mr. Denbowski said that this issue should be included in the planned meeting with the City.

Mr. Denbowski asked if the Authority has had a strategic plan in place in the past. Mr. Matz confirmed that there was no such plan in place. Mr. Matz said that a strategic plan is needed to move forward with his vision for the Authority. Mr. Denbowski suggested that it is necessary to engage with the City first to get a better understanding of its view for economic growth in the City. Mr. Laws said that it is counterintuitive to hold the executive director from moving forward and especially because he is held responsible for the actions of the Authority. Mr. Profit said that the executive director should take care of day-to-day operations before the strategic plan is put into place. He noted the current condition of the garages as something that should be taken care of first. He suggested that the executive director should reach out to Community Development to discuss the strategic plan to coordinate that plan with the City.

g) Mobile Payment Platform.

Mr. Matz discussed the ongoing need for a mobile payment platform. Mobile payments would be beneficial to the Authority. Mr. Matz is continuing to work on this matter and will provide an update to the Board as the matter progresses.

h) Staff Member Meetings.

Mr. Matz discussed ongoing training of the Authority's staff. There are weekly staff meetings. These meetings are held with staff supervisors and Mr. Matz attends each of these staff meetings on a weekly rotating basis.

10) Director of Finance & Administration Report

a) Finance Report.

Mr. McGrath addressed the Board. He said that revenue from the RPA parking facilities was \$545,284 in January 2020. This includes a ledger payment from the City of Reading of \$162,000, which the City is supposed to pay to the Authority at the beginning of each year pursuant to an existing contract between the City and the Authority. Although included in the noted revenue, the payment has not yet been made. Mr. McGrath confirmed that the City has failed to make that payment for several years. It is included on the report as billed but unpaid.

Mr. McGrath also noted a substantial increase in event revenue compared to 2019. Event revenue in January 2020 was \$37,253 compared to January 2019, which was \$17,364. Mr. Profit said that a focus on revenue through parking and events rather than issued violations, which is a good trend. Mr. McGrath confirmed that gross revenue for January 2020 was \$832,234 compared to January 2019, which was \$654,339. Gross revenue compared to budget was favorable in the amount of \$159,109. Expenses were unfavorable to budget in the total amount of \$20,415.

Page 2 of the financial statement presented to the Board provided an analysis of large variances such as bank charges, which is a one-time yearly charge from the Authority's merchant vendor. Mr. McGrath also pointed to a large amount of computer expenses as well as a fee paid to Kelly and Ryan due to the large collection of past due violations from 2018. Mr. McGrath also discussed the last page of the financial statement, which provides revenue of the Authority itemized by each garage. Poplar and Walnut's revenue is based largely on monthly permits. Revenue at Reed and Court is based on transient parking, which is largely visitors to the Courthouse. Chiarelli Plaza has seen a loss of revenue due to the loss of Reading Eagle employees parking there. There is hope that Alvernia University may use that parking facility going forward.

Discussion was held in regard to the 300 Cherry flat lot. Mr. Matz noted that the Authority is engaging with Judy's on Cherry to discuss parking at that lot. Residents are using the lot without paying. This is causing a problem with restaurant customers. This problem exists despite the option for residents to park at the 4th and Cherry garage for \$25.00 per month. The Authority is exploring a gated system at the 300 Cherry lot. Mr. Profit asked how much the installation of gates at the lot would cost. Mr. Matz estimates that the total cost would be roughly \$20,000 to \$25,000. Mr. Matz said that he is talking to HUB to get specifications for the bid. Mr. Denbowski said that Judy's on Cherry is supportive of the proposed parking system and that installation of the system would be positive for this area.

11) Human Resources Report from Paragon Consulting.

Danielle Reardon addressed the Board. She has been serving as a consultant for the Authority to assist with human resources since September 2019. She described her work on behalf of the Authority. She assists with day-to-day operations but is also assisting with future planning. Employee evaluations have been implemented and will likely occur in June 2020. There will also be goal setting for Authority employees. Ms. Reardon confirmed the implementation of EPLI

coverage, which provides coverage to the Authority for discrimination and HR claims. Recent union contract negotiations were positive. She has also helped to implement a better payroll system for employees.

Mr. Denbowski asked about an employee manual update. Ms. Reardon said that she can draft suggested updates with Board approval and input. She noted there should be a committee of the Board to assist with these updates. Mr. Laws suggested the use of templates to expand on to avoid reinventing a new employee manual. Ms. Reardon confirmed that she has templates for that purpose.

Ms. Reardon is currently helping with staff training. She said that there was going to be sexual harassment training for the Authority staff as well as de-escalation training at the end of March to help with customer interactions and interactions with co-workers.

12) Facilities Manager Report.

James Frank addressed the Board. He provided a written report. It notes ongoing monthly staff and safety meetings as well as training for employees. This includes snowplow training, skid steer training, sexual harassment training and de-escalation training. There is an ongoing plan of the Authority to install LED lighting. Mr. Profit noted his support for the conversion to LED lighting on an ongoing basis. However, he also said there needs to be a hard look at the cleanliness of the RPA facilities.

13) Office Administration Report.

Kristen Stubblebine addressed the Board. She is the Authority's Office Manager and Board Liaison. She assists the Executive Director. She identified Ms. Sanzo as the Authority's accounting manager who also provides on-the-job training to employees. Ms. Stubblebine is focusing on staff training. She noted the use of Operation Hope to provide free-of-charge financial training to employees. There has also been training for CPR, applicable ordinances and time management. Ms. Sanzo is working with employees to reduce errors and create good financials. Ms. Stubblebine is working on professionalism among the staff as well as customer service. They are trying to implement a better phone process and there is now uniforms for the staff.

14) Board Discussion.

a) Sponsorships.

The Authority's ability to provide sponsorships is under review by the solicitor. The solicitor will report back to the Board in regard to the parameters of Authority sponsorships.

b) Community Action Committee.

Mr. Denbowski asked what the Community Action Committee is going to do. Mr. Matz said that it will review ordinances for recommended changes to City Council. It will permit public

input. The Committee will include residents and customers. There will be a selection process implemented for members of the Committee. Mr. Denbowski asked if there will be any public education aspects. Mr. Matz confirmed that the Parking 101 training slated for the Board will then be used for Town Hall meetings to educate the public. Mr. Denbowski said there is a strong need for public education. Mr. Laws suggested the possibility of using a marketing intern for some of the Authority's work. DID has such an intern.

15) Old Business

None.

16) New Business.

The City had issued an invoice in the total amount of \$6,309.95 for the assignment of Mr. Matz to the Authority while he was a police officer. Mr. Laws made a motion to approve this payment. Second by Mr. Profit. The motion passed unanimously.

Mr. Denbowski noted that the Authority is working on Amended Bylaws and a public communication policy.

Mr. Denbowski announced that the Board was going to go into Executive Session to discuss personnel and litigation matters. He said that the Board would return to the regular meeting with no action items. The Board entered into Executive Session at 7:25 p.m. The Executive Session ended at 8:57 p.m.

17) Next Board Meeting

Mr. Denbowski announced at the beginning of the board meeting that the Authority's next regular board meeting would be held on Tuesday, March 24, 2020 at 5:30 p.m. instead of March 17, 2020 to permit the Authority's Board to review bids received on the pending capital improvement project for the RPA facilities and to take action in regard to those bids if applicable. The bid opening will take place at 11:00 a.m. on March 24, 2020.

The March 24, 2020 Board Meeting will be held in the Third Floor Conference Room at Reading City Hall, 815 Washington Street, Reading, PA 19601.

18) Adjourn

Mr. Denbowski made a motion to adjourn the meeting. Second by Mr. Profit. The motion passed unanimously. The meeting was adjourned at 8:58 p.m.