

READING PARKING AUTHORITY

Minutes of Reading Parking Authority Board Meeting – April 21, 2020

1) **Meeting Called to Order.**

The Reading Parking Authority's regular board meeting was called to order on April 21, 2020, at 5:30 p.m. by Frank Denbowski, Chairperson. It was held at the Reading Parking Authority, 613 Franklin Street, Reading, PA 19602, pursuant to notice published and posted according to law.

Due to the COVID-19 pandemic, and in conformity with CDC guidelines, some of the RPA Board members and staff participated in the meeting remotely via telephone. The physical meeting was closed to the public but notice published and posted prior to the meeting provided members of the public with access via telephone to listen to and take part in the meeting. A recording of the meeting was made and is available on the Authority's website.

Individuals Present.

RPA Board Members:

Frank Denbowski, Chairperson

Timothy J. Profit, Vice-Chairperson

Julia Domena, Treasurer (*participated remotely*)

Nate Rivera, Secretary (*participated remotely*)

Daniel Laws, Assistant Secretary (*participated remotely*)

Others Present: Nathan L. Matz, RPA Executive Director; Michael McGrath, RPA Director of Finance; Kristen Stubblebine, RPA Office Manager; Cynthia Sanzo, RPA Accounting Supervisor (*participated remotely*); Mahlon J. Boyer, Esquire, General Solicitor (*participated remotely*); John Stott, Esquire (*participated remotely*); James Mancuso (*participated remotely*); and Danielle Reardon (*participated remotely*).

Members of Public: Jeremy Long, Reading Eagle (*participated remotely*).

2) **Pledge of Allegiance.**

3) **Moment of Silence.**

4) Public Comment.

There was no public comment.

5) Approval of Minutes.

Mr. Profit made a motion to approve the March 24, 2020 Board Meeting Minutes. Second by Mr. Rivera. Motion passed unanimously.

6) Approval of Accounts Payable.

Mr. Profit made a motion to approve the Authority's accounts payable invoices for April 2020 via the Authority's general fund in the total amount of \$379,295.26. Second by Ms. Domena. Motion pass unanimously.

7) General Solicitor Report.

a) HB 1203.

Mahlon J. Boyer, Esquire, Authority Solicitor addressed the Board. He had been asked by Mr. Denbowski to review PA House Bill 1203 ("HB 1203") to determine its effect upon the Authority. Mr. Boyer said that HB 1203 revised the current Money of Authority Section contained in the Municipal Authorities Act. The revised statute became effective on January 20, 2020. Among other things, HB 1203 allows a parent municipality to conduct an examination of a municipal authority's books if the parent municipality determines there is a need for such a review.

Mr. Boyer determined that HB 1203 is inapplicable to the Authority. It modified the Municipal Authorities Act but did not change the Parking Authority Law. The current Money of Authority Section applicable to parking authorities has not changed. That section requires a parking authority to have at least one annual examination of its books, which is supposed to be delivered to the Authority's parent municipality, in this case, the City of Reading. It also requires the Authority to publish a concise financial statement in a newspaper of general circulation on an annual basis. The City could conduct an audit for the Authority if the Authority failed to do so.

b) Records Retention Policy Resolution.

Mr. Denbowski stated that there had been an issue in years past with the Authority's record retention. Poor retention of records makes it difficult for the Authority Board to determine what occurred in the past. Mr. Denbowski therefore thought it was prudent for the Authority to adopt a records retention policy. The policy will create a paper trail, will comply with the applicable state law and will provide good governance for the Authority.

Mr. Boyer presented Resolution 2020-10 to the Authority Board for the adoption of a records retention policy. The Resolution is in conformity with the Municipal Records Act. The Act provides for the disposition of public records in conformity with schedules and regulations determined by a Local Government Records Committee. That Committee approved a Municipal Records Manual on December 16, 2008, which was amended on March 28, 2019. The proposed policy would dispose of records according to statutory requirements. The Authority will follow the schedules and procedures for disposition of records as set forth in the Municipal Records Manual.

Mr. Laws made a motion to approve Resolution 2020-10. Second by Mr. Rivera. Motion passed unanimously.

8) Labor Solicitor Report.

No report.

9) Executive Director Report.

a) COVID-19 Update.

Executive Director, Nathan Matz addressed the Board. He said that the Authority had hired a professional company to clean the Authority offices and the PEO area. PPE equipment was issued to all of the Authority staff and Mr. Matz noted that the Authority has a good supply of that equipment. He further confirmed that the Authority is following all CDC guidelines. Ms. Stubblebine has been updating the Authority's website with various releases regarding COVID-19 restrictions, including office operation hours and Authority enforcement.

b) Construction Bids.

Bids for the three components of the planned Garage Capital Improvements project (general contractor, mechanical and plumbing) were due for bidding on April 21, 2020. Ed DeTullio from Desman hosted a public meeting on April 21, 2020 at 11:00 a.m. at the Authority to open the bids. The meeting was held outside and in conformity with CDC guidelines, including required social distancing. The apparent low bidder for the general contractor portion of the project is Nathan's Contracting. Mr. Matz and Mr. DeTullio both recommend moving forward with Nathan's. The mechanical and plumbing bids were much larger than expected and Mr. Matz did not recommend any of the bids submitted for those portions of the project.

Mr. Profit made a motion to issue a Notice of Intent to Award to Nathan's Contracting for the general contracting portion of the project. Second by Mr. Laws. The motion passed unanimously. Mr. Profit made a motion to reject all bids submitted for the mechanical and plumbing portions of the project. Second by Mr. Laws. Motion passed unanimously.

c) Meetings with RPA and City – Update

Mr. Matz said that there are ongoing discussions between the Authority and the City in regard to a parking agreement and a cooperation agreement.

Mr. Matz also said that enforcement of street sweeping by the Authority would begin on May 4, 2020. It had been temporarily suspended due to the COVID-19 pandemic. Mr. Laws questioned the need to enforce the street sweeping violations if the current COVID-19 restrictions remain in place. Mr. Profit said that it is a public safety and health issue. Trash is accumulating and there are negative effects on the sewer system. Mr. Denbowski confirmed that the Authority is collaborating with the City on this issue. Mr. Matz said that the Authority is trying to provide notification to City residents about the renewed enforcement via multiple venues such as social media and the Authority's website as well as the Reading Eagle.

d) Beautification of Surface Lots - Update

The proposed contract between the Authority and United Community Services ("UCS") has been approved. The Authority is waiting for a response from UCS to obtain an executed copy of the agreement. Mr. Denbowski noted that the relationship between the Authority and UCS will help with Mayor Moran's good neighbor policy and will help to establish a high standard for the neighborhoods. The project has been delayed due to the COVID-19 restrictions but is going to move forward.

e) BCIAA

Mr. Matz noted a thank-you card from BCIAA for the Authority's donation to that organization. Mr. Denbowski confirmed that the donation fits within the Authority's donation policy.

10) Director of Finance Report

a) March Finance Report and Cash Flow Analysis to April 20.

Michael McGrath addressed the Board. The Authority's gross revenue for March 2020 was \$553,283. This was a decrease of approximately \$115,000 compared to March 2019. Gross revenue for March 2020 was \$119,842 unfavorable to budget. The decreased revenue was due to COVID-19. The Authority lost revenue from multiple sources including transient drivers and events.

Expenses for March 2020 were \$470,472, which was favorable to budget in the amount of \$19,287. Mr. McGrath noted that computer expenses were high due to Kelly and Ryan invoices. He also noted higher than expected legal expenses. Repairs and maintenance had an increased

cost for a yearly alarm fee. The cost for telephone/internet was higher due to some missed invoices that had to be paid.

Overall, the Authority's operating income for March 2020 was \$82,811. The Authority's net income was (-\$1,055). However, year-to-date, the Authority is still trending somewhat higher than last year due to the annual City parking fee payment. Mr. McGrath said that the Authority's revenue for April 2020 will be substantially less than normal.

Mr. McGrath also discussed the Authority's cash flow. As of January 1, the Authority had unrestricted cash in the amount of \$1,498,245.71. Net cash flow from the Authority's operations for the first quarter of 2020 was \$718,689. The Authority also incurred bond payments, capital purchases and a change in balance sheet accounts in the first quarter of 2020. Therefore, the Authority had an outflow of cash in the amount of \$289,683.47. Mr. McGrath said that the Authority is not cash flowing. He expects this to get worse due to the decreased revenue in April 2020.

Mr. Denbowski noted a pending PA House Bill that would require reimbursement to individuals for monthly parking contributions for unused parking. This would have a tremendous negative effect upon the Authority. Mr. Profit said that such an idea sounds good in practice but would be devastating to the Authority and he hopes a balance can be found.

b) Fulton Loan Update.

In March, Mr. McGrath asked Fulton Bank for loan payment deferrals due to the pending revenue issues caused by COVID-19. Fulton has agreed to permit payment deferrals for May, June and July 2020, which equal roughly \$624,000. The interest owed for those deferrals will be paid in August and September.

Mr. McGrath presented a proposed Resolution from Fulton Bank to permit the proposed payment deferrals. He said that Mr. Boyer had reviewed the Resolution and had approved it. Mr. McGrath confirmed that the deferred payments of principal can be paid at any time in the next five years. Mr. Denbowski thanked Mr. McGrath for his proactive work and for taking steps to assist with the ongoing revenue issues.

Mr. Profit made a motion to approve the Resolution for deferral of payments with Fulton Bank. Second by Mr. Laws. Motion passed unanimously.

11) HR Report.

a) Diversity, Equity and Inclusion Committee; Handbook Committee; Summer Intern.

Danielle Reardon addressed the Board. She provided an update in regard to the Diversity, Equity and Inclusion Committee. The committee is slated to have five to seven members. There will be representation from the Board as well as the Authority's management and non-management employees. Once committee members are selected, there will need to be an initial meeting to

discuss future items such as the frequency and length of meetings. If it is found that major issues exist, the Committee will meet on a monthly basis, or, if there are no major issues, the Committee may meet on a bi-monthly or quarterly basis. The Committee will establish its purpose, short-term objectives and long-term goals at its initial meeting.

Ms. Reardon provided a status regarding the Employee Handbook update process. Ideally, there will be five to seven members that participate in an Employee Handbook Committee. There will be representation from the Authority's Board as well as the Authority's management and non-management employees. Initially, Ms. Reardon will provide the Committee with draft revisions of the Authority's Handbook based on various matters such as regulatory updates and compliance. Committee meetings may take place on a bi-weekly/monthly manner to discuss revisions and to finalize revisions to various sections of the Handbook. Final proposed changes to the Handbook will be presented to the Authority Board for its approval. Afterwards, the revised Handbook will be issued to Authority employees. Mr. Rivera noted his appreciation for the proposed process to update the Employee Handbook.

In regard to a possible Summer intern, Ms. Reardon had previously suggested a job description and salary range. Mr. Rivera asked how a Summer intern would be chosen. Ms. Reardon said that she would reach out to local colleges for interns such as Penn State, Albright or Alvernia.

b) Employment Background Policy Resolution.

Ms. Reardon discussed the adoption of a Background Check Policy by the Authority. Ms. Reardon said that Mr. Boyer had drafted Resolution 2020-9 to adopt the Background Check Policy. Mr. Denbowski said that the proposed policy is fair and reasonable for a public agency. Ms. Reardon noted that future offers of employment would be contingent on the successful completion of the Authority's background check. The proposed policy also pertains to employees that have a break in service. They will be required to have a background check completed upon rehire. If a conviction or adverse information is revealed in a background check, the Authority will assess the information on an individualized case-by-case basis and in accordance with applicable law and EEOC guidance. Mr. Profit made a motion to approve Resolution 2020-9 for the adoption of a Background Check Policy. Second by Ms. Domena. Motion passed unanimously.

c) MOU with Union – Furlough.

Ms. Reardon discussed a March 31, 2020 letter issued by the Authority that furloughed Authority employees effective April 1, 2020 pursuant to a Memorandum of Understanding ("MOU") between the Authority and AFSCME. Mr. Denbowski said that the furlough is temporary but was still hard to do. He looks forward to bringing the employees back. There is no anticipated return date, but the Authority wants to recall the employees as soon as possible. The Authority will continue to provide healthcare coverage through June 30, 2020. Mr. Profit made a motion to approve the MOU between the Authority and AFSCME. Second by Mr. Laws. The motion was unanimously approved.

12) Maintenance Supervisor Report.

Mr. Matz said that James Frank, Maintenance Supervisor had submitted a written report, which was provided to the Board. He noted that an elevator at the Reed & Court Garage had stopped working but will be repaired. Mr. Matz also said that two staff members from the Authority's Maintenance Department are currently working five days a week. They are performing various tasks such as trash removal, grass cutting and cleaning surfaces.

13) Office Administration Report.

Ms. Stubblebine submitted an Office Administration Report to the Board. The report was prepared by Ms. Stubblebine and Ms. Sanzo. Mr. Denbowski thanked them for their good report and noted that the Authority staff is doing good work to keep the Authority operations moving forward.

14) Board Member Report.

Mr. Profit acknowledged the continuing hard work of the Authority's management staff. He said the Authority is fortunate to have them in place. They are creating stability in an unstable environment.

15) Old Business.

None.

16) New Business.

None.

17) Next Board Meeting.

The Authority's next Board Meeting will be held on May 19, 2020 at 5:30 p.m. at Reading City Hall, 3rd Floor Conference Room. Executive Session shall start immediately after the conclusion of the public meeting.

18) Adjourn.

Mr. Denbowski announced that an executive session was going to be held to discuss personnel matters and pending litigation with possible Board action to be taken upon the conclusion of the executive session. The executive session began at 6:55 p.m. and ended at 8:10 p.m. No action was taken at the close of the executive session.

Mr. Laws made a motion to adjourn the regular board meeting. Second by Ms. Domena. The meeting was adjourned at 8:11 p.m.

