

## **READING PARKING AUTHORITY**

### **Minutes of Reading Parking Authority Board Meeting – December 15, 2020**

1) **Meeting Called to Order.**

The Reading Parking Authority's regular board meeting was called to order on December 15, 2020 at 5:42 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 participated in the meeting remotely via Zoom. The physical meeting was closed to the public, but notice published and posted prior to the meeting provided members of the public with information 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 (*participated remotely*)

Julia Domena, Treasurer (*participated remotely*)

Daniel Laws, Secretary (*participated remotely*)

Maritza Colon (*participated remotely*)

**Others Present:** Nathan L. Matz, RPA Executive Director; Michael McGrath, RPA Director of Finance; Kristen Stubblebine, RPA Office Manager; Bart Ganster, Director of Operations; Danielle Reardon and Mahlon J. Boyer, Esquire, General Solicitor.

**Members of Public:** Sheila Perez; Evelyn Morrison and Jeremy Long, Reading Eagle (*all of whom participated remotely*).

2) **Pledge of Allegiance.**

3) **Moment of Silence.**

4) Roll Call.

Mr. Denbowski confirmed all individuals that were present for the meeting whether in person or remotely.

5) Public Comment.

Mr. Denbowski read the Authority's Public Participation Policy prior to the start of the public comment portion of the meeting.

Sheila Perez addressed the Board. She discussed a visit she made to the Authority's office on December 11, 2020. She requested a job application and noted complaints regarding the misuse of no parking signs. She raised concerns she has with the Authority's Operations Supervisor. Mr. Denbowski said that he would discuss these matters with Ms. Perez. He asked Ms. Perez to write him an email with her contact information.

Evelyn Morrison addressed the Board. She read a July 3, 2020 letter from the Authority's solicitor that was addressed to her. It concerned a conversation she had with Bart Ganster. She believes that her statements during that conversation were mischaracterized. She suggested that further investigation into the matter should have been conducted. Mr. Denbowski said that he would further discuss this matter with Ms. Morrison.

6) Approval of Minutes.

Minutes from the Authority's prior board meeting were sent to the members of the Board prior to the meeting. There being no requested revisions, Mr. Profit made a motion to approve the November 17, 2020 Board Meeting Minutes. Second by Mr. Laws. The motion passed unanimously.

7) Approval of Accounts Payable.

Mr. McGrath presented the accounts payable for December, which totaled \$413,946.12. The proposed payables had been sent to the members of the Board prior to the meeting. Mr. Laws made a motion to approve the Authority's accounts payable for December via the Authority's general fund. Second by Ms. Domena. The motion passed unanimously.

8) Annual board report by Board Chairman

Mr. Denbowski submitted an end-of-year report to the Authority's Board of Directors. He then read the report. In his report, he noted that Mayor Eddie Moran appointed five new members to the Authority's Board of Directors in January 2020. The Mayor requested that the Authority set a gold standard for other boards to follow. Mr. Denbowski said that the Authority has been transformed into a reliable community partner over the past twelve months in conjunction with its Board of Directors, its management team, and its rank-and-file employees with the assistance of professional consultants.

Mr. Denbowski noted that the Authority has been effected by COVID-19. It experienced significant revenue loss. However, to mitigate the effects of lost revenue, it took proactive steps that resulted in over \$700,000.00 in cost savings. Mr. Denbowski said that the Authority staff rose to the occasion to continue providing essential services and adapted to the new realities of COVID-19 as a team.

Mr. Denbowski's report went on to describe new major initiatives, new public initiatives, operations improvements, new policy implementation, new community and governmental partnerships, and 2021 planned initiatives. Mr. Denbowski emphasized that the accomplishments of the Authority were the result of a team effort. He said that it was rewarding to see all of the progress made by the Authority. Mr. Denbowski's report to the Board was made available for public review as part of the board packet for the December 2020 meeting.

Mr. Denbowski announced that he would be leaving the Authority's Board, most likely in January 2021. The Mayor will announce a replacement for Mr. Denbowski. However, Mr. Denbowski noted that he will continue to work with the Authority in his continuing roll as the Mayor's Chief of Staff.

9) City Auditor – Fuel Card Audit

At 5:45 p.m., Mr. Denbowski announced that the Board was going to hold an executive session to discuss a personnel matter. The executive session ended at 5:59 p.m. with no action taken.

10) General Solicitor Report.

a) RPA-City Lease Agreement

Mr. Boyer said that the Authority and the City are having preliminary discussions regarding the possible lease by the Authority of some of the City's properties located in the 900 block of Penn Street. Mr. Matz confirmed that there is a high demand for parking in that area. The Authority's surface lot in the 1000 block of Penn Street is full. He said the Authority's engineer has confirmed that the Authority could put 54 spaces in the area under discussion. Mr. Matz said it would be a welcome relief for businesses and residents in that area. It is a great way to assist the community. Discussions with the City will continue.

b) Municipal Solutions Group

Mr. Boyer announced that a settlement had been reached with Municipal Solutions Group ("MSG") in regard to an agreement between the Authority and MSG. MSG had been providing services to the Authority for the issuance of parking tickets. The Authority decided to use UpSafety instead. MSG has agreed to accept \$25,000.00 from the Authority in full satisfaction of any claims it may have. MSG will also provide data requested by the Authority that will help the Authority collect past due violations. Mr. Matz confirmed that the Authority is saving \$90,000.00 per year using UpSafety instead of MSG. Mr. Profit made a motion to accept the settlement agreement with MSG. Second by Ms. Colon. The motion passed unanimously.

c) RPA-Redevelopment Authority Lease

Mr. Boyer provided a status in regard to the Lease Agreement between the Authority and the Redevelopment Authority for the two open surface lots at 405 Carpenter Street and 411 South 3<sup>rd</sup> Street. The Parking Authority will lease these lots from the Redevelopment Authority. The Parking Authority previously approved this lease. Recently, the Redevelopment Authority also approved the lease. Both parties will execute the lease.

d) Closing on RPA Purchase of Redevelopment Authority Properties

Mr. Boyer confirmed that the closing on the purchase by the Parking Authority of certain properties owned by the Redevelopment Authority has closed. Closing was held to complete the Parking Authority's purchase of the properties. The State Lot is included in the properties purchased by the Parking Authority.

e) Financial Procedure Policy

The Board discussed the possible approval of a Financial Procedure Policy. Mr. McGrath has reviewed and revised the policy. The policy sets forth certain procedures that the Authority will follow moving forward, including the formation of a Finance and Audit Committee. There are also certain accounting procedures and internal controls established by the policy that the Authority will have to follow. Mr. Profit made a motion to table consideration of the policy to allow the members of the Board more time to review the suggested policy. Second by Mr. Denbowski. The motion passed unanimously.

f) Corporate Sponsorship / Naming Rights Policy

Mr. Boyer said that an initial draft of a Corporate Sponsorship/Naming Rights Policy will be ready for the Board's review prior to the January 2021 Board meeting. The policy is meant to set standards for possible corporate sponsorships and/or the naming of certain garage facilities. The policy is meant to address future matters that may arise under any such circumstances.

11) Labor Solicitor Report.

No report.

12) Executive Director Report.

a) Construction Update

Mr. Matz reported that construction at the South Penn garage will be complete by the beginning of January 2021. Repairs to the 4<sup>th</sup> & Cherry garage will be complete next week. Work at the Poplar & Walnut garage will be complete by the end of December 2020. Construction at the Reed & Court garage will begin in January 2021.

b) Snow – Opening of Garages

Mr. Matz confirmed that the Authority's parking garages would be opened to City residents due to an impending large snowfall. The garages will be opened for free parking for residents from Wednesday 8:00 a.m. to Monday 8:00 a.m. This does not include the Authority's surface lots.

c) City Agreement

Mr. Matz said that the Authority has spent much time and has met with the City multiple times in regard to a Parking Facilities Agreement and a Cooperation Agreement. He is optimistic that the City and the Authority are close to a final version of both agreements.

d) LED Lighting

The Authority asked McCarthy Engineering to review the feasibility of LED lighting in the Authority's garage facilities. McCarthy has recommended a replacement of the top deck light fixtures. This would create a two to three year return on the investment. There is also a possible incentive payment from the electric company for the transfer to LED lighting. The matter is still being reviewed.

13) Director of Finance Report & Administration Report

a) November Financials

Mr. McGrath reported that the Authority's gross revenue for November 2020 was \$641,785.00, which was unfavorable to November 2019 in the amount of \$103,818.00 and unfavorable to budget in the amount of \$31,340.00. He noted that the permit and transient revenue for parking facilities was down compared to 2019 as was the event revenue.

For November 2020, the Authority's total operating expenses were \$459,961.00, which were unfavorable to 2019 in the amount of \$54,690.00 but favorable to budget in the amount of \$29,797.00. The Authority had net income in November 2020 in the amount of \$92,007.00, which was unfavorable to 2019 in the amount of \$194,239.00 and unfavorable to budget in the amount of \$15,946.00. Mr. McGrath expects the Authority to break even and reach its budgeted net income at the end of the year.

The Authority's year-to-date gross revenue through the end of November 2020 was \$6,830,275.00, which was unfavorable to 2019 in the amount of \$396,674.00 but favorable to budget in the amount of \$99,025.00. The Authority's year-to-date operating expenses were \$5,323,608.00, which was unfavorable to 2019 in the amount of \$180,424.00 and unfavorable to budget in the amount of \$426,025.00.

In regard to its cash flow, the Authority experienced a positive inflow of cash year-to-date through November 30, 2020 in the amount of \$912,774.78. He expects that the Authority will

break even after the year-end expenses are posted. Mr. McGrath noted concerted efforts by the Authority due to the COVID-19 pandemic to reduce its expenses and to preserve its revenue streams.

b) Approval of 2021 Budget

Mr. McGrath confirmed that there have been no changes to the Authority's draft 2021 Budget since it was presented to the Board at the November Board meeting. The 2021 Budget anticipates revenue of approximately \$8,000,000.00 with expenses of approximately \$6,000,000.00.

The Authority is anticipating an inflow of cash in 2021 in the amount of roughly \$730,000.00 with a capital reserve fund set aside in the amount of \$650,000.00. The Authority is planning for future maintenance of its facilities and to prevent any future need for lending to address those issues.

Mr. Profit thanked Mr. McGrath for his work on the 2021 budget under difficult circumstances. Mr. Profit made a motion to approve the Authority's 2021 Budget. Second by Mr. Laws. The motion passed unanimously.

c) Retirement Plan Comparison Report

Discussion regarding possible new providers for the Authority's employee retirement plan were discussed. Mr. Matz confirmed that the Authority's retirement plan needs to be updated. The Authority provides a good contribution for employee retirement but there are no employee contribution options. The Authority wants to adopt a 457(b) plan that would allow employees to contribute to their retirement. The Authority asked its current provider, BB&T for options and it also received a proposal from Fulton Bank.

Upon review, it was determined that Fulton Bank provided a better program with a diverse portfolio. BB&T uses a third-party and its fees reflect that. Mr. Matz said that Fulton Bank provides free counseling and investment opinions. There is a great level of service and it has reasonable fees.

Mr. Profit asked if there are any negatives in regard to the Fulton Plan. Mr. McGrath said there are certain costs charged to employees for some items such as employee loans. Mr. Profit asked if there were any other providers to review other retirement plan options. Mr. McGrath said that the Authority is limited in its options because it has less than 50 employees. He emphasized that he is very comfortable with Fulton Bank and the services that it provides. Mr. Denbowski noted his appreciation for employee options to contribute towards their retirement.

Mr. Profit made a motion to engage Fulton as the Authority's employee retirement plan provider. Second by Mr. Laws. The motion passed unanimously.

14) Director of Operations Report

Prior to the meeting, Mr. Bart Ganster submitted a written report to the Board. He also addressed the Board. He said that a special detail had been formed to enforce restrictions on fire hydrants. This has led to a large reduction in those violations since October 2020. Mr. Ganster also noted that the Authority is assisting the City with its sweeper expansion program.

Mr. Ganster said there is new specific enforcement for double parking. Parking Enforcement Officers are pulling up behind double parkers, blowing the horn and using their lights. Mr. Profit thanked Mr. Ganster for the increased enforcement of double parking. He said that double parking is a complaint made by many and is a significant challenge. He noted that it is a safety issue, especially for children. Mr. Laws said that he receives multiple complaints about double parking and said that he has seen an improvement.

15) HR Report.

Ms. Danielle Reardon addressed the Board and noted that there were personnel matters that would need to be discussed in executive session.

16) Maintenance Supervisor Report.

James Frank submitted a monthly report that was provided to all of the Board Members prior to the Board Meeting. The Board posed no questions.

17) Office Administration Report.

Cindy Sanzo and Abril Ortiz submitted a monthly report that was provided to all of the Board Members prior to the Board Meeting. The Board posed no questions.

18) Marketing Committee Report.

Mr. Denbowski said that the Authority's marketing efforts are going well. The Authority is reaching various markets and demographics. Mr. Matz confirmed that the Authority is issuing bilingual signage.

19) Board Member Report.

Ms. Domena noted a concern with certain construction signs on Penn Street. She believes the signs are hazardous. Mr. Denbowski said he would check with Public Works to determine the status of the signs and their purpose.

Mr. Denbowski said that the Authority is working with Public Works to paint lines for parking spaces. The lines would be painted in conjunction with new street paving. The lines would create specific parking spaces and would maximize the number of vehicles that could park on a street.

20) Old Business.

None.

21) New Business.

a) Records Retention and Inventory Program

Mr. Denbowski noted his recent work with the City in regard to certain document scanning and conversion. He is working to preserve historical documents and to centralize and catalog them. He will provide more information in regard to this effort for the Authority at the January 2021 board meeting.

b) 2021 Board Meeting Schedule

Mr. Denbowski confirmed that a proposed board meeting schedule for 2021 had been distributed to the members of the Board prior to the meeting. The Authority meets on the 3<sup>rd</sup> Tuesday of each month at 5:30 p.m. Mr. Laws made a motion to approve the proposed 2021 board meeting dates. Second by Ms. Domena. The motion passed unanimously. Ms. Stubblebine confirmed that she would advertise the dates for the entire year at one time.

22) Public Comment.

Ms. Morrison suggested the need to confirm how the pension fund providers were determined. Mr. Denbowski confirmed that different proposals were explored. The Authority received only two viable responses from Fulton Bank and BB&T.

23) Next Board Meeting.

Mr. Denbowski announced that the Authority's next board meeting is scheduled for January 19, 2021, beginning at 5:30 p.m. and will be a hybrid of in-person attendance and via Zoom in keeping with CDC guidelines for public meetings due to COVID-19 restrictions. An executive session will be held and will start immediately after the conclusion of the public meeting. Mr. Denbowski confirmed that the Authority will reorganize at its January 2021 meeting.

24) Adjourn.

*Mr. Denbowski announced that an executive session was going to be held to discuss personnel matters and pending litigation with no board action to be taken upon the conclusion of the executive session.*

There being no further business of the Board, Mr. Denbowski made a motion to adjourn the regular board meeting. Second by Mr. Laws. The meeting was adjourned at 7:31 p.m.