

REDEVELOPMENT AUTHORITY MEETING
OCTOBER 18, 2010
7:00 PM

Mr. Disciullo convened the meeting at 7:05 pm in Council Chambers and led the salute to the flag.

Members Present: Joseph Disciullo, Jack Burkholder, Jon Kasitz, Harry Colon and Matthew Baker
Solicitor present: Patrick O'Donnell
Staff Present Wayne Reed, Rob Barry, Kirby Hudson, Ruthann Mowday

Mr. Disciullo announced the RDA held executive session on October 18, 2010 prior to the regular scheduled meeting.

Approval of Minutes

Mr. Colon made a motion to approve the minutes dated September 20, 2010 with corrections; Mr. Kasitz seconded the motion. Motion passed 4-0-1. Mr. Disciullo abstained due to his absence at the meeting.

Mr. Burkholder made a motion to approve the minutes dated October 6, 2010; Mr. Disciullo seconded the motion. Motion passed 3-0-2. Mr. Colon and Mr. Baker abstained due to their absence at the meeting.

Approval of Accounts Payables

Mr. Baker inquired about the purchasing of supplies from Office Depot and if other vendors are used. Ms. Mowday explained that several supply companies are reviewed for lowest price. Mr. Colon questioned the bills from Gawthrop Greenwood. Ms. Bjorhus stated the bills are for service provided by Pat O'Donnell. The bills are for two months. Mr. Baker questioned Pat McKenna billable hours. Mr. O'Donnell stated the hours were for Downtown Revival tax issues in which Ms. Bjorhus has requested information. Mr. Kasitz inquired about the Thomas Comitta bill. Mr. Reed stated the bill was to be held aside for payment. He is looking into the reason for the expense. Ms. Bjorhus stated the check was not included for payment. It was included on the payable list.

Mr. Kasitz made a motion to approve the accounts payables minus the bill for Thomas Comitta in the amount of \$793.08 until further review; Mr. Burkholder seconded the motion. Motion passed 5-0. The payables are as follows:

ADP	\$31.00
Daily Local News	\$181.90
PECO	\$497.71
T&M Associates	\$43.50
Pennsylvania American Water	\$694.94
BBD, LLP	\$500.00
Gawthrop Greenwood PC	\$4604.55
John Carnes	\$481.50
Office Supplies	\$502.53

Wayne Reed	\$1000.00
Kirby Hudson	\$1000.00
Robert Barry	\$1000.00
Stacy BJORHUS	\$1000.00
<u>Ruthann Mowday</u>	<u>\$1000.00</u>
Total	\$12537.63

Additions, Deletions, or Modifications to the Agenda

Mr. Disciullo added Kraft Bus lease to the agenda under new business

Mr. Baker added discussion regarding the walk through the properties.

Citizens Comments – Agenda Items Only

There were no citizen's comments.

New Business

1. ACT II Final Report

Mr. Disciullo explained the Marshal GeoScience was approved via an online vote by the board members. The vote was not announced at the following meeting. Therefore it was not followed up with a formal vote. The online vote was 3-1. Mr. Colon was the dissenting vote. Mr. Baker stated an online vote did not meet the requirements of the Sunshine Law.

Mr. Kasitz made a motion to approve Marshal GeoScience to complete the ACT II Cleanup Final Report; Mr. Burkholder seconded the motion. Motion passed 3-1-1. Mr. Colon was the dissenting vote. Mr. Baker abstained from the vote.

2. Consider DCED's Flats Predevelopment Grant RFP

Mr. Barry provided an overview of the Grant RFP. The geotech analysis has been removed considering a defined project and scope of work has not been approved for the Flats. Mr. Kasitz explained the studies are contingent on what entity will be placed on the Flats. CCEDC will market the properties. There is no need to have the marketing placed in the grant. Mr. Disciullo stated the work the grant will provide is generic in which all developers can utilize. Mr. Colon asked if the grant included the utility and hydraulic study. Mr. Barry replied no. Mr. Kasitz stated some of the funding may be used to move the dirt. Any additional grant dollars can be used to assist the National Veleddrome Center, LLC in completing required studies.

Mr. Disciullo made a motion to approve the revised DCED's Flats Redevelopment Grant RFP; Mr. Colon seconded the motion. Motion passed 5-0.

3. Consider Emergency Repairs for Comfort Care

Mr. Disciullo explained the building at 312 Fleetwood Street is in need of emergency repairs requested by the Fire Chief. Mr. Barry explained the RDA has received three quotes for the alarm system. Mr. Baker asked if any local places were called. Mr. Barry stated the quotes were from Vector Security Systems (city's current vendor), ADT and Sloman Security. Mr. Hudson stated Sloman is out of Exton. ADT and Sloman are heavily into security for commercial property. Mr. Colon asked if Vector offered a lease.

Mr. Disciullo stated the low end repairs cost for the building are \$200,000-\$300,000. Mr. Reed explained that Comfort Care is not looking to lease elsewhere. The business is currently in a good location. Mr. Reed is in the process of setting up a meeting with Comfort Care to discuss the lease, raising rent and the repairs. Mr. Disciullo explained that CCEDC has spoken to Comfort Care regarding relocation. He stated he has issues with putting money into the building.

Mr. Baker suggested sending a contract to Comfort Care. The RDA can work from the top down with the income from the rental properties. Mr. Colon stated the RDA has not received the engineers report on how to fix the beam. These are life safety issues and should be taken care of tonight. Mr. Burkholder stated we will be right back where we are now in a couple of years after we fix it. Mr. Hudson suggested looking into a second mortgage to make the repairs.

Mr. Baker made a motion to approve the emergency repairs required by the Fire Chief for the Electrical, Fire Alarm System and the Panic Doors; Mr. Colon seconded the motion. Motion passed 4-1. Mr. Disciullo was the dissenting vote.

Mr. Baker asked if the bills have been sent to Comfort Care for the repairs previously made. Ms. Bjorhus stated Mr. Reed was going to provide Comfort Care with the bills. Mr. Reed asked Ms. Bjorhus to provide invoices for the repairs to be submitted to him so he can forward them to Comfort Care.

Mr. Kasitz made a motion to approve Slomins for the Fire Alarm; AJ Electric General Contracting for the electric and the lowest bidders for the panic doors; Mr. Baker seconded the motion. Motion passed 5-0.

Mr. Kasitz left the meeting at 8:15 pm.

4. Consider Emergency Repair Policy

Mr. Disciullo explained the policy authorizing \$2,000 for repairs. Mr. Colon asked if the amount spent is over \$1,000 that three bids are required unless it is an emergency. The original authorization was not just for emergencies. Mr. Baker explained there is not anything in place for repairs at this time for the property management firm to have the repairs completed.

Mr. Disciullo made the motion to authorize staff to approve the property manager to due up to \$500 non emergency repairs and up to \$2,000 in emergency repairs; Mr. Colon seconded the motion. Motion passed 4-0.

5. RDA Property Insurance Proposal

Mr. Disciullo announced the proposal does not show liability insurance. Mr. Baker asked if the RDA has insurance. Mr. Disciullo stated the bug concern is no liability. Mr. Reed explained the RDA has liability on all the properties. What is presented is the proposal to cover the buildings. Mr. Disciullo asked Mr. Reed to have the broker come to the next meeting. Mr. Reed stated he would contact the broker and ask them to attend the next meeting.

Mr. Baker asked for a list of properties to be posted on the website. There are none posted on the website at this time. The available properties should be posted on the website. Mr. Barry stated it is possible to put the information there. Mr. Baker stated he is currently working on the Mission Statement.

6. Mission Statement

Mr. Baker stated he is currently working on the Mission Statement.

7. Budget Discussion

Ms. Bjorhus explained the expenses are currently \$12,000 to 13,000 per month. The revenues are in the general range. It is going to be close. There are a big items on the horizon. The RDA is asking the City to defer the interest. There are a couple of big items on the horizon. Hope to have the preliminary budget for November meeting. Mr. Disciullo asked for the spreadsheet to be forwarded to the members. The cash flow and expenses have been added to the sheet. Mr. Reed the staff will have a proposed budget for the next meeting with a budget narrative.

Mr. Colon inquired about rent for garages located across from Comfort Care. Mr. Baker asked if the RDA is paying for the electric to these buildings. Mr. Disciullo asked for staff to check if the RDA is paying for the electric or whose name is on the account. Mr. Colon stated there is a lot of grass in front of the garages that are able to be rented out.

8. Krapf Bus Leases

Mr. Disciullo explained the process of the lease with Krapf Buses.

Mr. Disciullo made a motion for Exit Elite to negotiate with Krapf Bus for a lease starting at \$1,000 per month, 3 year lease with a 3% increase escalator and 6 month notice of termination; Mr. Baker seconded the motion. Motion passed 4-0.

9. Discuss property walk through

Mr. Baker asked for an update on the website for Press Releases. There have been no updates since April.

Mr. Baker explained that a light needs to be put up in the alley at the corner near the garages. We can get the community help out to clean up the area. Mr. Colon suggested renting a container and have the community help clean it up. Mr. Baker state the fence around comfort care is partially down. Mr. Baker asked staff to contact Gentle Dental to remove the items. There was waste and equipment left in the building. The numbers need to be posted on the back of the building to be up to code with the Fire Department. There is a metal piece around the Air Conditioner that needs to be removed and a board placed around it.

Citizens Comments – Non-Agenda Items

John Pawlowski – Resident

Mr. Pawlowski asked to provide the RDA with a mission statement. He was pleased with the action taken at the last meeting with the Velodrome. Mr. Pawlowski stated he received a call prior to the last special meeting that the RDA was discussion approval a chemical plant on the

Flats. The distracting factor that came after that meeting was appalling. There are some people trying to convey the message that staff knew the plant was coming and kept public unaware. It was misrepresented after the last meeting. In his years on the RDA, the RDA staff would get as many facts as they could and provide the members with the proposals.

Jim Pitcherella – Resident

Mr. Pitcherella announced that Amtrak is currently working on the bridge.

Mr. Disciullo announced the next RDA meeting will be November 15, 2010

The meeting was adjourned at 8:45 pm.

Respectfully submitted,

Jon Kasitz
Secretary