

Julio Guridy, President
Ray O'Connell, Vice President
Joseph Davis
Jeanette Eichenwald
Jeff Glazier
Cynthia Y. Mota
Peter Schweyer



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BUDGET SCHEDULE: HUMAN RESOURCES, PARKS AND RECREATION, TREXLER, GOLF MINUTES
November 12, 2013
COUNCIL CHAMBERS

Council Meeting – 7:00 PM

Roll Call: Davis, Eichenwald, Glazier, Guridy, Mota, and Schweyer

Ms. Amy Trapp discussed HR and stated that she took over Risk. The major of the year was spent working with the Water lease and helping everybody to get to the right position. For us one of the highlights was simply that nobody was displaced even through bumping. HR restructured their headcount. They had a departure within their department. They are looking to streamline their process and save money for the department. For an expense perspective we have a savings over 2013 of \$13,000 from a headcount or payroll perspective we did move out of finance the payroll person. There is a three percent increase given across the city to the non-bargaining employees. There is no increase in HR other than payroll taxes, and the movement for the headcount. We have gone to two Labor Relations Managers and have learned that the focus could be redirected and we will move one of the Labor Relations Manager positions which is current vacant to a HR Program Manager.

Mr. Glazier asked was it a savings to that.

Ms. Trapp stated that we will save \$7,900.

Mr. Glazier asked included in the \$13,000 or above and beyond.

Ms. Trapp stated that is above and beyond.

Mr. Glazier asked was there any questions from the public. The other part of the presentation is for Risk Management.

Ms. Trapp stated that Risk is split in multiple areas and HR has a piece of it. The Solicitor's office has a piece of that area. The portion that HR is the benefits portion and safety portion.

Mr. Schweyer asked about the dental/life and drug insurance. We lost 80 employees and the number still didn't go down.

Ms. Trapp stated that the number would have been much higher if we did retain those 80 employees. As a self-insured agency, we pay every single dollar of a claim we have. When we have a large catastrophic claim that exceeds a certain amount we have insurance for that, but that insurance has a deductible. The trends in healthcare are going up with new fees that are associated with the Affordable Care Act. She stated that dental went down, \$2 per person and vision stayed flat.

Mr. Guridy stated that the proposal was to put an extra \$5 million in Risk Management. Where do I find that?

Ms. Trapp stated that it is reflective in 13A.

Mr. Glazier stated that if you look at the beginning 2013 A&E 2490 and the ending balance for 23176 and the opening balance for 2014 is 72195.35 and that shows the \$5 million difference.

Mr. Hahn asked about self-insured and deductions from workers comp if the so called safety program was up to snuff and running. They reported incidents instead of accidents.

Ms. Trapp stated that we don't do lock out tag out. We have to use lock out tag out, but there are others proactive things to train people. We have panel doctors. As a municipal agency and an employer we have a responsibility to report information.

Mr. Hahn stated that spoke about this safety position.

Ms. Trapp stated that his responsibility to make sure that all the proactive programs as well as follows and we looking at process improvement items. The way we structure it we don't ask people to leave their jobs and come to the meetings. We schedule meetings for individual bureaus in order to make it convenient for those teams to not have to leave their general area.

Mr. Dennis Pearson stated that he wanted follow up with what Mr. Hahn said. When a person gets injured, if it is minor you will put him back on the job, if it is more serious do you give that person light duty in order.

Ms. Trapp stated that when someone is injured on the job, our goal is to get them back to work. We will find ways to ensure that we meet requirements to get them back to a place where they are able to earn income and we are getting productivity.

Mr. Guridy stated that the next agenda item is Parks and Recreation.

Ms. Mota welcomed the public to the Parks and Recreation Budget Meeting and stated that she plans on following the same process as Tuesday night and discuss each program in the order listed on the agenda.

Mr. Mikowychok stated that he is here to talk about the consolidation of this single cost center. We are pulling money \$2.4 million from Watershed and Ground Maintenance and \$94,000 Watershed/Fish Hatchery into Ground Management's Budget. The three totals for 2013 \$2,976,646 and in 2014 the total of those expenditures is \$2,870,909 which is a decrease. The changes in Grounds Maintenance are the fact that we are getting into the business of managing our pool water and the mechanics of the filtration system. We are adding a tradesman plumber, and pools that position is \$53,000 and we are getting an individual from storm water for the better part of the summer. The other change in Grounds Maintenance is a reorganization of the supervisory staff.

Ms. Mota asked any questions from our colleagues.

Ms. Eichenwald stated that when Mr. Mikowychok said that we were looking at apples to apples 2014 shows a decrease of \$105,000. Could you explain that please?

Mr. Mikowychok stated that you take the three expenditures from each cost center as they were, not actual and expended, but how they were approved and adding up Ground Maintenance and Watershed and the Fish Hatchery cost centers, I come up with \$2,976,646.

Ms. Eichenwald asked why is it \$105,000.

Mr. Mikowychok stated that we have to make some budget cuts to get us back to 2013 levels. During the budgetary process we were asked to make cuts to our budgets to get them back to 2013 levels. Operating supplies and seeds were cut and other supplies being added.

Mr. Rick Holtzman stated that some of the cuts you are asking about would be chemicals. We decreased the chemical usage and applications to our fields. Last year we tried to be proactive with our athletic field to get them in good shape. We cut back on other contract services this year and that was decreased by \$20,000. We are still going to maintain our Wildlife Management and we cut back the invasive spraying. We will do in-house.

Ms. Eichenwald stated that every year we go through this and last year we are told we have to do this and this year we are told we don't have to do this. What changed?

Mr. Holtzman stated that we took an opportunity to see what we can cut back on and not affect our Parks System.

Mr. Dougherty stated that on the chemical portion of it. When working with Rick, we identified stores of chemicals throughout a number of facilities and had a number of lower level managers ordering chemicals just for the sake of ordering them and stock piling them.

Mr. Holtzman stated that he says to his people that we are not a storage facility. We buy as needed from these companies. We go out for bid at the beginning of the year and we buy as needed.

Ms. Eichenwald asked are we going to save this year and then next year it's going to cost three times as much.

Mr. Holtzman stated that it might go up a little bit, depending on how the season is and you might have other needs.

Mr. Dougherty stated that is an important efficiency measure and a direct result of Rick's leadership. One of the large chunks of savings that is reflective in the big number is the savings of the old parks building. I no longer have maintenance needs, heating needs, fuel oil, electricity and that is about \$50,000 plus.

Ms. Mota stated that we love savings. You guys are doing a good job.

Mr. Guridy asked about Page 155, line item 8 longevity, can you explain that before.

Mr. Mikowychok stated that is a union item.

Ms. Bowman stated that what we done this year, we broke out the salary and the longevity. Before the permanent wage account included the longevity in it. This year we broke it out and it shows the benefit to the employee and the actual wages.

Mr. Dougherty stated that it is important to keep in mind for all the budgets because it is a glaring difference.

Ms. Mota asked about FICA.

Ms. Bowman stated that is Social Security.

Ms. Mota acknowledged the work the administration has done in conjunction with Peter and myself to restore the therapeutic program and advance youth recreation program. She thanked the administration on the upgrades to Stevens Park and the Franklin Street Playground.

Mr. Mikowychok discussed the Special Events and the Lights in the Parkway cost centers are being moved over from Community and Economic Development as well as the position of Special Project Manager. The Recreation Budget does include the \$10,000 for therapeutic programming.

Ms. Mota stated that we are in talks with the Trexler Trust to support a new parks and recreation study that will include a detailed review of the pools as well as the recreation program. Currently, we are looking at about \$12 million in pool maintenance and repairs.

Mr. Mikowychok stated that management of the filtration system is going from a Water Department function to in-house Parks and Recreation staff. They are proposing setting up a new concession operation at Jordan this year. They are looking at some higher margin items like Fountain Sodas. We put at the other three pools admissions area. We put soda machines and went through 162 cases of soda at our four facilities. We put five handicapped hydraulic platforms or lifts. We will put four more in this proposed budget.

Ms. Eichenwald stated that last year we had a vast long discussion about the ADA requirements. Were we fined anything for not meeting the ADA requirements or did we have an extension.

Mr. Mikowychok stated that if we had an extension it would have been for a considerable length of time. We had no one file. They would typically file a complaint with the US Department of Justice.

Ms. Eichenwald asked about the timetable.

Mr. Mikowychok stated that the timetable for the ADA was adopted in 1992 with public entities that had to complete their public retrofits by 1995. We are beyond the point of extensions. We had a discussion with the Center for Independent Living and we put in these lifts and putting in additional entrance ramps with temporary aluminum ramps to bridge the stairway. The biggest challenge is going to be retrofitting the bathhouse and the restroom stalls and shower area.

Ms. Eichenwald asked if there were grants available.

Mr. Mikowychok stated that you could do it if you are renovating a facility, but you can't just go for ADA retrofit. DCNR doesn't fund compliance type issues.

Ms. Eichenwald stated that the position that was held by Tara Craig, what responsibility did she have because they are certainly more than events held in the parks. Where has those responsibilities gone and has her position been filled.

Mr. Mikowychok stated that we do have an individual that this position has been offered and that individual is scheduled to start November 19th.

Ms. Trapp stated that they start on Tuesday and the responsibility is a lion share of the responsibility will transfer with her.

Ms. Eichenwald stated that this was a citizen initiative. Where do citizens go with their initiatives?

Mr. Mikowychok stated under the Special Project Manager.

Ms. Trapp stated that we could do a citywide announcement.

Ms. Eichenwald asked are you holding the announcement until the person is given the position until the 19th.

Mr. Schweyer thanked the Parks Department for the therapeutic program, recreation program. He asked that they work with Vicky Kistler on that. He asked about pool fees.

Mr. Mikowychok stated that they are working on a schedule. We took a draft to the board of recreation and they recommended some changes and tweaks to it. Developing a family pass that they thought would be appropriate discount.

Mr. Schweyer asked when are we going to have that. Typically we don't pass a budget based on numbers that we don't know.

Mr. Mikowychok stated that the budget presentation that you have before you is using 2013 fees.

Mr. Schweyer stated that we use the 2004 tax rate to set the General Fund.

Mr. Mikowychok stated that we did not assume that the pool fees would be approved in our budget submission.

Mr. Schweyer asked if it would be a budget amendment from the administration once the pool fees are set.

Mr. Mikowychok stated yes.

Mr. Schweyer stated that the Lights in the Parkway budget is about \$10,000 less in 2014 versus 2013.

Mr. Mikowychok stated that we are swapping some displays out. The plan is to work with Riley.

Mr. Schweyer stated that your budget for special events is \$98,340. He asked if Mr. Mikowychok can talk to Tina Amato in health to see if we can get some fresh fruits and vegetables sold at the pools.

Mr. Mikowychok stated that we did try that at Cedar Beach we did not move them. We had discounted rates and dropped them to 50 cents.

Mr. Dougherty stated that purchasing is preparing an RFP for vending services citywide.

Mr. Schweyer asked Ms. Eichenwald and Mr. Glazier if the school district had something like that.

Mr. Glazier stated that the federal government has mandated that sugary drinks be eliminated from all school vending machines.

Mr. Schweyer stated to Mr. Mikowychok that in his Capital Budget he can't help but notice as a south-sider the conditions of some of our parks.

Mr. Mikowychok stated that we met with them a week and a half ago about the condition of the outfield fences, the backboards and the interior of the locker rooms, the netting and they are proposing to make these capital improvements in exchange for a credit towards the portion of their \$35,000 annual lease.

Mr. Guridy asked if the lease says they supposed to return it in the same or better condition.

Mr. Mikowychok stated that he could not imagine it won't have something in that extent.

Mr. Holtzman stated that they supposed to maintain the facility and I had numerous conversations about the garbage outside. The outside looks horrible.

Mr. Guridy stated that he was there last year and the bleachers looked nice.

Mr. Mikowychok stated that Terry has submitted a laundry list of possible improvements.

Ms. Eichenwald stated that maybe it's time to get our legal department involved.

Mr. Schweyer asked how much longer is out lease with them.

Mr. Holtzman stated another three years.

Mr. Guridy asked about organized sports activity, I noticed the public contract services went up a little bit. He asked about aquatics repair and maintenance supplies went down half.

Mr. Mikowychok stated that the increase in the 46 account is because the appropriation of therapeutic recreation and for youth sports academy training. We did slash funds in other areas. We probably cut it in half of the ADA requirements that we made last year.

Mr. Glazier stated that if we go the Proposed Budget Detail Book is which coming in handy. He asked about the 46 and the easy facility management system is it a new system or an annual maintenance fee for that software.

Mr. Cope stated that it is an annual maintenance fee for that software.

Mr. Glazier asked about the discount Dorney Park Tickets and asked if the city can coordinate with the Allentown School District Foundation.

Mr. Mikowychok stated that they did very well with the amounts they received from Trexler Trust. There are no significant changes in the budget. The golf fund is a status quo budget. We made significant capital improvements with driveway entrance, the planting of trees and the driving range improvements. We had a soft opening last week.

Mr. Jeff Wambold stated one of the huge benefits as well as the ADA; they will be able to be open year round. We have enough golf balls that we have been stockpiling. We have about 80,000 balls.

Mr. Guridy stated that he noticed that the cart rentals will decrease. He asked about left over equipment.

Mr. Wambold stated that we are the only golf course that you could walk on the weekends and about two years Bethlehem Municipal was the only Golf Course you could actually walk, and now they went to mandatory carts. With the system we have we can see how much we could really benefit from that and how much we can lose. We have a lot of season ticket holders from Bethlehem because over the last two years they did go to a mandatory cart.

Mr. Glen Hunsicker asked if there is any money in the budget for flashlights because the lights are out in the hall. He discussed Bicentennial Park and wondered if they made their payments. He talked about the sheet that PFM put out in October and we had the watershed cost. How much is from employees. Have you absorbs all those people. He asked about the Capital Improvements of \$12 million if you had to do all these projects. We had no Capital Improvements Fund for next year. How are we resolving this?

Mr. Mikowychok stated that they are not. We are working on getting their submittal in. The agreements allow them to put in for improvements they make for the facility in exchange for up to 50 percent of their rent.

Ms. Bowman stated yes. Part of Budget Memo #2 is putting \$5 million over into Capital and appropriating in the first quarter of next year. We are re-evaluating all our Capital needs and looking at what we can do financially and how we can address it with the savings that we have to get those projects done.

Mr. Mikowychok stated that in 2013 that Watershed was about \$1,996,000.

Mr. Hunsicker stated that you have a negative \$7 – 8 million in the Capital Fund this year and you proposed it that transferred \$3.5 million and now you are mentioning \$5 million. We would like to see the details down the road.

Ms. Bowman stated that it was the Administrative Order \$1.5 million, AMR \$2 million. Part of the \$7 million you are talking about that \$2 million we have already expensed. In addition we will be moving money over. It is not a total of \$7 million. We just have to move the funds.

Mr. Hahn stated don't talk about the \$5 million. You are putting the lockbox in a sub-stationary fund.

Mr. Dougherty stated that other municipalities in the area do their own mulch making and it is a slight charge to take the bulldozer and dump it in your pickup truck. Why is our program different?

Mr. Holtzman stated that it is not different. We actually do the same program at the yard waste site. We offer a loader to load their truck which is \$10 per scoop. The mulch we are using has to be certified playground mulch for a certified safety surface. It is a minimum amount of mulch we actually purchase.

Mr. Hahn asked about the fisherman.

Mr. Holtzman stated that he is doing the best he can right now. I have been active in keeping those areas managed.

Mr. Mikowychok stated that it is a balancing act in maintaining once you allow meadow grasses to grow taller the invasive come in. The responsibility switches from frequent mowing to spot treatment to undesirables.

Mr. Holtzman stated that we do have a machine that cuts wide inch materials at ten inches high. It goes into swampy areas like that.

Mr. Hahn stated that with the concession agreement there seems to be a little problem with the administration's policy on people who make something very nice and improve it and get rid of it and give to the concessionaire. Since you still have problems with Bicentennial and I think that an upfront payment of one year's rent or concession agreement be put in there so that when he leaves or you throw them out we can do the necessary repairs. If you are going to use AstroTurf, you are talking about digging the whole place up and putting a base down for \$35,000 charge.

Mr. Mikowychok stated that it is important for us to consider the repairs that he is making in totality. We said two weeks ago what our major concerns were. He is getting a credit for the Capital Improvements that he makes on the city property. Once we get his documentation, we will follow up and inspect what he did.

Mr. Dennis Pearson talked about the County and the mulching business and leased it to a company. Does the City of Allentown have dealings with the company? Did you purchase any of the county's equipment?

Mr. Holtzman stated no. We do everything in house. He stated not to my knowledge. We purchased our own equipment.

Mr. Dougherty stated that we were offered that in the past. I believe in 2006 and we declined and since that time we expanded our capacity in which it will be further expanded.

Mr. Pearson asked if we had an agreement with any other community to mulch.

Mr. Dougherty stated that he challenged Public Works to go out there and market our services and I believe either Whitehall or South Whitehall we have sold mulch to. We can do it cheaper than all of them and cheaper from a contractor. I want them to further expand and market that capacity.

17. ADJOURNED: 8:30 PM

Council meetings are held on the first and third Wednesday of each month beginning at 7:00 pm in Council Chambers. For copies of the agenda or meeting announcements, please visit our website at www.allentownpa.gov or contact the Clerk at Michael.Hanlon@allentownpa.gov to receive an email notice of the meetings.