

**MINUTES
CITY COUNCIL MEETING
Monday October 25, 2010**

Regular Session

Council President Edward Simpson called the meeting to order at 7:45 p.m. and welcomed everyone to the meeting. Council members present were Council President Edward Simpson, Council Vice President Karl Marking, Messrs., Jarrell Brazzle, Martin Eggleston, Ingrid W. Jones and Karen Jorgenson. Staff members present included City Solicitor John Carnes, Interim City Manager Ted Reed, Assistant City Manager Kirby Hudson, Director of Urban Planning and Codes Enforcement Damalier Molina, Director of Public Works Donald Wilkinson, Lieutenant Martin Brice of the Police Department, Director of Finance Stacy Bjorhus, Fire Chief Kevin Johnson, and Recording Secretary Ruthann Mowday.

Mr. Simpson announced the Council met in Executive Session earlier this evening, October 25, 2010 and October 19, 2010 to discuss Personnel and Legal.

Approval of Minutes: *October 11, 2010*

Mrs. Jones made a motion to approve the minutes for October 11, 2010 with corrections; Mr. Marking seconded the motion. Motion passed 6-0-1. Mr. Hamrick abstained due to his absence at the meeting.

Approval of Accounts Payable

Mr. Marking asked why some of the bills for the pool are coded 451 and 454. Ms. Bjorhus stated the expenses will be journal entries to reflect the correct departments after bills are reviewed. Mr. Marking asked about the Verizon cabs bill. Ms. Mowday stated she believes this is the bill for the T1 line. Mr. Brazzle inquired about West Goshen Auto Fleet invoices. Lieutenant Brice explained the fees were for servicing the batteries for the cameras located outside City Hall. Mr. Marking inquired about the Barbacane Thornton invoice was for Early Intervention Audit. Ms. Bjorhus stated the invoice was for Early Intervention Audit. Mr. Marking asked who Mr. Lear was. Chief Johnson stated he was an employee. Mrs. Jones inquired about PACO. Mr. Molina explained PACO is Pennsylvania Association for Codes officers. The payment was for the codes officers' annual renewal. Mr. Brazzle asked about the Curfew notices purchased from Davco. Lieutenant Brice explained the forms are notices to the people. The Police Department reorder more forms.

Mr. Marking made a motion to approve the accounts payable listing October 8, 2010; Mrs. Jorgenson seconded the motion. Motion passed 7-0.

Additions, Deletions or Modifications to the Agenda

Mr. Hamrick asked to add Item of discussion # 5 discuss 2008 budget discrepancies.

Mr. Simpson asked to add Item of discussion #6 discuss Constellation Energy Prices

Presentations

1. Coatesville Code Volunteer Program – Marie Hess

Ms. Hess explained the Coatesville Code Volunteer Program consists of members of the Weed and Seed Community Policing Sub-Committee that want to assist the Coatesville Codes Department in the identification and documentation of code violations. The program will identify and report violations of the "Top 7" codes in assigned areas; Report violations to

proper authorities in the Codes Department while on clean up days; Take pictures that can be used to support claim; Assist the Codes Department in office duties such as researching property and complaint information; and assist the Codes Department in activities such as printing, coding, and mailing notice of violations. The top 7 codes violations are Minimum housing standards; Illegal dumping; Snow and ice removal of from sidewalk; High weeds and vacant lot; Rubbish and garbage; Nuisance junkyards; and derelict vehicles. The program will achieve: Community Dialogue; Clean Streets; and Coatesville Pride. The facts are: Coatesville is overwhelmed with Code Violations; there is little funding for more staff; Volunteers are ready and willing; The Community Policing Sub-Committee Members are already out on the streets taking pictures, calling and emailing Mr. Molina and his staff; This is a win/win for the City, the Codes Department, and the Weed and Seed Community Policing Sub-Committee.

2. Financial Report – Stacy Bjorhus

Ms. Bjorhus explained the year to date revenue is slightly off budget in the Real Estate Transfer Taxes. The 3rd quarter Earned Income Tax will begin to come in through October, November and Early December. Ms. Bjorhus stated the Mr. Marking asked if the overtime in the Fire Department has been taken care of. Chief Johnson explained a new person will be starting within a week. The unrestricted funds available as of September 30, 2010 were \$943,705 and the restricted funds were \$14,528,940.

3. 2011 Budget – Ted Reed

Mr. Reed announced the proposed 2011 Municipal Budget has been presented to Council. The proposed 2011 Municipal budget is balanced with a total of \$8,976,218 which is \$1,813,949 (-16.8%) lower than the amended 2010 budget which totaled \$10,790,167. Projected expenditures amount to \$8,876,808 which is \$1,861,949 (-17.3) lower than the amended 2010 budget. The budget is balanced with a surplus reserve of \$99,410. The budget continues to austere and continues to require frugality and close monitoring throughout the year. Other than arbitration required increases for the Fire Department paid staff, there is no salary increases included in the budget. For the non union staff, exempt staff this will be the third year they have not received any increase in salary. Mr. Reed stated he would like to set up a budget workshop with the Council members.

Citizens' Hearings – Regular Action Items Only

There were no comments on citizens' hearing on regular action items.

Mrs. Jones made a motion to close citizens' hearing on regular action items; Mr. Hamrick seconded the motion. Motion passed 7-0.

Special Events

1. A Special Event Permit Application was received from the Coatesville Christmas Parade, Inc Coatesville Christmas Parade, Inc for the Christmas Parade on December 4, 2010 from 9:00 am to 2:00 pm. It was requested for closures from Lincoln Highway – Glencrest to 13th Avenue, Strode - Valley Road to Lincoln Highway, 1st Avenue to Walnut Street to Lincoln Highway on December 4, 2010 from 9:00 am to 2:00 pm.

Mr. Brazzle made a motion to approve the special event permit application from the Coatesville Christmas Parade, Inc Coatesville Christmas Parade, Inc for the Christmas Parade on December 4, 2010 from 9:00 am to 2:00 pm. It was requested for closures from Lincoln Highway – Glencrest to 13th Avenue, Strode - Valley Road to Lincoln Highway, 1st Avenue to Walnut Street

to Lincoln Highway on December 4, 2010 from 9:00 am to 2:00 pm; Mr. Eggleston seconded the motion. Motion passed 7-0.

Items for Discussion

1. Discuss Designation of Responsible Local Agent for Rental Properties

Most municipalities have enacted legislation requiring the Designation of Responsible Local Agent to facilitate enforcement of violation of properties. Such legislation is important when the owner of a rental property is not a full-time resident of the municipality, then he or she is required to designate a person to serve as the Responsible Agent who does reside within a certain radius from the municipality

The local Responsible Agent designated by the owner will be responsible for operating the rental property in compliance with all provisions of the City codes and ordinances. The local Responsible Agent must be able to provide access to the property (including each rental unit and all common areas) as requested by City Code Officials.

A Responsible Agent may be a family member, friend or neighbor who resides in the municipality. Tenants, however, should not be designated as responsible agents.

If the owner is a corporation, a partnership, or a limited liability company, an officer, partner or member must be named to act as Responsible Agent and shall be identified as such on the Rental Registration Application for that property.

Mr. Reed explained the concern is because of the absentee landlords. Mr. Molina stated the responsible agent for the properties should live within a 5 mile radius of the City. Mr. Marking asked if Mr. Carnes was reviewing the legislation. Mr. Carnes suggested changing the responsibility of the registered agent. It is a liability issue. Mr. Marking stated the proposed Ordinance from Coatesville does not have the responsible agent having access to the property. Mr. Molina stated the ordinance can be changed to add access for the responsible agent. Mrs. Jorgenson asked if the Ordinance applies to rental/group homes. Mr. Molina replied yes.

2. Discuss Early Intervention Program Audit Report dated June 1, 2007 to June 30, 2010

The Early Intervention Contract was created to develop, adopt and implement a five year financial plan to address fiscal difficulties in a timely manner in order to avoid adverse impact on health, safety and welfare of the residents of the City of Coatesville.

Mr. Reed explained the city received \$100,000 grant for Early Intervention. The grant period ended in June. Barbacane Thornton completed the audit. The grant is closed. The City received a \$65,700 grant for Phase II.

3. Discuss Sweeps Program/Rapid Ticketing Program

The Sweeps Program/Rapid Ticketing Program will help to improve neighborhood quality of life; improve efficiency of city inspectors through use of technology and reduce court time through alternative enforcement of quality of life issues. The Property violation notice system will be similar to the parking ticket process and internal appeal process. There are two types of violations the non-abatement and the abatement.

Mr. Molina explained the process of Lancaster. Lancaster is currently working with the rapid Ticketing program. Mr. Wilkinson explained most of the issues in the City are solid waste issues. Mr. Simpson asked if we as the City are still discussing the instant ticketing program with the

local courts. Mr. Molina stated he is meeting with them. Mr. Hudson explained Lancaster has the handheld ticket machines that take a picture of the violation. The picture is time stamped can auto categorize the history of the violations. Mr. Molina stated Lancaster was willing to come out and present to Council. Mr. Marking stated he is interested in hearing from the townships currently utilizing the program and see how it works. Mr. Hudson explained Lancaster went through four or five versions before they found what they liked. Council asked for staff to ask Lancaster to come to the next meeting to explain the program.

4. Discuss Proposed Codes Amendments

Mr. Molina stated he is currently working with the City solicitor on the Vacant Property Ordinance. Mr. Carnes explained the first Ordinance is to make sure the Contractor has insurance. The contractor would have to provide the City with a copy of their insurance certificate. The registration fee would be omitted and replaced by an insurance fee. The second Ordinance is being reworked and organized to identify the Vacant Property. The third Ordinance for the IPMC amends Chapter 180 to reflect the most recent edition of the Property Maintenance Code, 2009 edition. There are minor changes needed to the Ordinance.

5. Discuss 2008 Budget Discrepancy

Mr. Hamrick asked what happened to the time cards. The auditors never received the time cards. The City ran two separate systems. The budget was unrealistic. What is the status of the Pension MMO? Ms. Bjorhus stated it is unreconciled. The trackings of capital assets were not done in 2008. Ms. Bjorhus stated she is working on the list. Three sets of records were provided to the auditors. Mr. Hamrick asked how many banks the City works with. Ms. Bjorhus stated there are still reconciliations to be done. Mr. Hamrick asked how the auditors can give a final when they can't balance it. There is no clue to what we lost. Ms. Bjorhus stated the auditors have proposed the current audit. The auditors would like to move forward to 2009. When they are on solid footing to go back and review 2008. Mr. Reed explained the City changed systems to Caselle in 2008 and then in 2009 changed to 4gov. The systems were not run simultaneously. Barbacane has done everything they can. The City cannot get grants without audit reports. The auditors will be here on the November for the 2008 audit. Mr. Marking stated that most people are not here working that were here in 2008. Mr. Marking asked if the documenting/reconciling of timed absences is being processed. Ms. Bjorhus stated she did not have all the information. Mr. Reed stated all records have been delivered to finance. Ms. Bjorhus stated she now has the data and Ms. Entekin is reconciling back to 2005. 2008 is currently being reconciled. She has received the time cards and time sheets for the current year. Mr. Marking asked about the Solid Waste receivables. Ms. Bjorhus stated there are issues with the property ID's and addresses. The primary task is to find the delinquencies. Mr. Kalaria is currently working on the solid waste receivables for 2008 and 2009. Mr. Marking stated the Finance Director should be involved in the audit and budget. Ms. Bjorhus stated Mr. Reed constructed the Budget. Mr. Reed stated he forwarded the budget and did not receive a response.

6. Discuss Constellation Energy Prices

Mr. Hudson reported there are many Pennsylvania Municipalities facing large increases in the cost of electricity beginning in 2011 when the caps on electricity prices are removed. To address this issue, The Pennsylvania League of Cities and Municipalities (PLCM) offer a comprehensive electric procurement through the MUA that utilizes cooperative purchasing of electricity to lower the impact of the increased cost of electricity. *IN other words*, The MUA lowers costs by aggregating municipal needs to get the best market price for municipalities. This is achieved by aggregating the needs of member participants, carefully monitoring the marketplace, and being

prepared to act quickly should savings opportunities arise. Through a competitive bid process, the MUA has secured aggregate electric rate pricing strategic by naming Constellation New Energy as the selected energy supplier. Current price offers have proven to be very competitive and compare favorably to other program options. To date, there are over 70 municipalities participating in this program, representing over 400 million kWh of electricity purchased and \$3.8 million in savings. He submitted additional PECO Account paperwork for the City of Coatesville to receive an electricity procurement proposal / quote from Constellation Energy. The paperwork I submitted was not a contract; it was only an authorization form which allowed Constellation New Energy to retrieve the City of Coatesville's PECO electricity usage information in order to provide the City with a no-obligation electricity price proposal. He received a fixed price proposal, a quote of 6.81 cents from Constellation New Energy. Constellation New Energy will offer electricity at the above fixed price in cents per/kWh for a 3 year term to include all buildings owned by the City of Coatesville and the Coatesville Redevelopment Authority (RDA).

Mr. Eggleston asked for the drop dead date. Mr. Hudson replied a twenty day lead time. Mr. Brazzle stated he would like to have received the information earlier. He will not approve this evening due to lack of time to review the information. Mr. Hudson stated the proposal is time sensitive. Mr. Eggleston asked if Constellation is the only option. Mr. Hudson stated there were three other options, but no could give the City a lower rate. Mr. Marking asked if the City is locked in. Mr. Hudson stated the City would be locked in for three years at the rate provided. Mr. Eggleston stated there has not been enough time for the solicitor to review the proposal. Mr. Carnes stated he could review the proposal and Council could vote this evening. Mr. Eggleston stated that is not enough time to thoroughly review the proposal. There is due diligence that is required. We need to make sure it is done appropriately. Mr. Hudson stated other Cities have done this already. Mr. Eggleston stated we are the responsibility of this City.

Regular Action Items

1. Receive and Consider Second Reading and Adoption an Ordinance amending Chapter 203 to repeal Article VI Earned Income Tax and to enact a new Article levying a tax on earned income and net profits, requiring employer to withhold and remit tax and related provision in accordance with the Local Tax Enabling Act

The City's current Earned Income Tax (EIT) ordinance utilizes provisions of the old Local Tax Enabling Act, Section 6913, which has been repealed by the State Legislature by enactment of Act 32 that replaces it with new provisions. This change will require the City to make some major revisions in our EIT ordinance which will now be collected by Keystone Collections Group which was selected by the Chester Tax Collection Committee, of which Coatesville is a member. The Ordinance does not change the current rate of 1-1/2% but does incorporate various sections of Act 32 as required by law. There is a specific time frame in which this ordinance must be adopted and sent to the State agencies by mid-November.

Mr. Marking asked if a tax form is required to be filled out. Ms. Bjorhus stated the employers turn in the forms.

Mr. Hamrick made a motion to approve the Second Reading and Adopt an Ordinance amending Chapter 203 to repeal Article VI Earned Income Tax and to enact a new Article levying a tax on earned income and net profits, requiring employer to withhold and remit tax and related provision

in accordance with the Local Tax Enabling Act; Mr. Brazzle seconded the motion. Motion passed 7-0.

2. Receive and Consider Second Reading and Adoption an Ordinance amending Chapter 203, Article III, (1) to reflect a change in title from “Emergency Muncipal Service Tax” to “Local Services Tax, as required by amendments to the Local Tax Enabling Act: (2) Replace references within the Ordinance to reflect the new title: (3) Raise the exemption amount of the tax from \$600 to \$12,000; (4) add exemptions for person called to active duty in a military reserve unit and for persons disabled during military service; (5) provide for the Pro-Rata withholding of the tax and the refund of overpaid tax; and (6) make amendments to the language of the Ordinance in accordance with the revision to the Local Tax Enabling Act.

Mr. Marking inquired about the raise from \$600 to \$12,000. Ms. Bjorhus stated is stays within the City.

Mr. Hamrick made a motion to approve Second Reading and Adopt an Ordinance amending Chapter 203, Article III, (1) to reflect a change in title from “Emergency Muncipal Service Tax” to “Local Services Tax, as required by amendments to the Local Tax Enabling Act: (2) Replace references within the Ordinance to reflect the new title: (3) Raise the exemption amount of the tax from \$600 to \$12,000; (4) add exemptions for person called to active duty in a military reserve unit and for persons disabled during military service; (5) provide for the Pro-Rata withholding of the tax and the refund of overpaid tax; and (6) make amendments to the language of the Ordinance in accordance with the revision to the Local Tax Enabling Act: Mrs. Jones seconded the motion. Motion passed 7-0.

Solicitors Report

Mr. Carnes asked if there were any questions on the Solicitors report. Mr. Brazzle asked the status of Walgreens. Mr. Carnes announced Walgreens is moving forward. Mr. Pulver has received approval from the Zoning Hearing Board for the signage.

City Manager’s Report

Mr. Reed announced the City has received 150 City Flags with the City Logo. The flag is 2.5 feet by 4 feet. The City paid \$26 per flag and will be selling them to the public for the same price. We have received about a dozen inquiries for purchase of the flag and we believe, once announced, we will receive many more requests to purchase this emblem of the City’s heritage. The emblem, itself, is set forth in the City’s Charter.

Mr. Reed announced the City has received the draft of the qualified 2008 Audit Report which has been distributed to the City Council. The Finance Director and Interim City Manager met with representatives from Barbacane-Thornton last week to finalize questions regarding the audit and direct that the final audit be prepared and sent to the City. We are expecting this final report sometime this week and will immediately send it to the Council.

The Staff has made arrangements with Barbacane-Thornton to make a formal 2008 Audit Report presentation to the City Council during the Council’s November 22 meeting. The auditing firm was unable to be present before this date.

Mr. Reed announced Fairmont Capital is continuing to work on the EIT study gathering information and statistics. The Staff has provided this information and has met with consultants to respond to questions relative to the status of the 2008 EIT Report and recommendations. The consultants are completing their

information-gathering phase and should begin to prepare the draft document which will be reviewed by the staff. It is planned to present the final study to the Council by the end of the year.

Mr. Reed announced the Recreation Director, Rickie Hicks, has continued his meetings with the Coatesville Senior Center to set up some programs. He and a volunteer will be offering Chess training to the seniors in early November which will hopefully result in many hours of entertainment for those who participate and possible tournaments down the road. Mr. Hicks has also begun Bingo play weekly with the Senior Center participants.

Mr. Reed read a letter from the VA.

Mr. Reed quoted section 2-404 and Section 2-604 from the Code of the City of Coatesville regarding the budget. Mr. Reed stated he met with each Department Head/Manager to discuss their departments.

Mr. Marking thanked Mr. Reed for sending the letters to the newly appointed Authority/Board/Committee/Commission Members. Mr. Marking asked Mr. Reed to send letters to the appointed Historical Board members.

Citizens' Hearings – *Non-Agenda Items*

Mr. Simpson announced the time limits forwarded from one speaker to another speaker.

Khadijah Al-Amin – Resident

Ms. Al-Amin announced she was asked by the citizens to present Council with a petition of 415 signatures. She thanked Mr. Brazzle for his assistance. Ms. Al-Amin read the petition asking for the immediate action to place the Interim City Manager on administrative leave for 1) not having the best interest of the citizens regarding the PAWC rate increase; 2) Bringing a chemical plant into Coatesville; 3) took over City pride and project from City Council member regarding the City Flags; 4) Last minute notice for the Steel Trees coming home to Coatesville. Mr. Simpson stated in Mr. Reeds defense the Council asked Mr. Reed to represent the City regarding the PAWC rate increase.

Mr. Colon – Resident

Mr. Colon asked how many other municipalities Codes Departments use the Instant Ticket program. The Codes Department needs more than two guys. There may be some technicalities to be addressed regarding Ms. Hess's presentation. The Codes citations take too long to go through the Court process. The pictures will help. The violations come with the picture on it. The Department can do the instant ticketing with what they have in place. Mr. Colon stated the landlords pay for rental licenses and every property should be inspected. He asked Codes to do what the people are paying for and get it done.

Mr. Hamrick made a motion to close citizens' hearings on non agenda items; Mr. Eggleston seconded the motion. Motion passed 7-0.

Council Comments

Mr. Marking stated it frustrates him to no end that the City spends large sums of money getting studies done...Having audits done and their presented to us and it seem to stop right there. I know this lack of momentum forward is shared by many council people here. The reason I think it's so important to look at the 2008 audit is not point fingers about what happened in 2008, but to make sure the protocols are in place to make sure that in 2010, we're not complaining about the same things in 2010.

Ms. Jones thanked everyone for coming out this evening. She appreciates the encouragement. There must be a couple of Ghost in here because we can't find this, and where that went and how it's done. It is sad. She repeated there something rotten in Demark it's not the pickled herring and it ain't the cheese.

Mrs. Jorgenson thanked everyone for their interest in Coatesville. It will be very interesting to see the names on the petition.

Mr. Hamrick thanked everyone for attending the meeting. He asked for the residents to reach out to him. He is available for any resident to talk or to listen. He will give his number out for anyone to call him. If he is in a meeting he will come out and talk to you.

Mr. Eggleston appreciates everyone for coming out this evening. Mr. Colon made a valid point on the Codes Department needing more officers. The City should consider cross training staff and employees such as the firefighters. Mr. Eggleston appreciated Mr. Hudson presentation but would like the solicitor to thoroughly review the proposal. He asked Mr. Hudson to look into a rate decrease for the residents. Mr. Eggleston mentioned his appreciation for Scarlett Gibbs. Mr. Eggleston asked for a Proclamation for her. Mr. Eggleston asked for the proclamation for Minister Alliance for Thanksgiving.

Mr. Brazzle thanked everyone for attending. He announced the Fall Festival celebration on November 14, 2010. Mr. Brazzle asked to look into the budget for employee raises. There have not been any for three years. The Public Works needs a truck really bad. Mr. Brazzle asked the Chief the status of the Fire investigation. Chief Johnson stated there are two retired Fire Chiefs who will be doing the investigation. Mr. Brazzle stated the City should help out with the Thanksgiving and Christmas drive for the people.

Mr. Simpson thanked everyone for coming out. He is surprised about the petition. 2006 through 2009 were the worst years, and no one submitted a petition. The Council is now working on stability and working to get rid of the problems that were created during those 4 years. It seems the Coatesville cannot operate unless there is chaos. The Council is doing a lot of the right things and not making headlines. Mr. Simpson asked who originated the petition. Ms. Al-Amin stated she would not divulge the names of the persons without their permission. Mr. Simpson announced he will have copies made and hand out the petition to fellow council members. He announced Halloween is this weekend.

Mr. Marking announced the Halloween parade is on Saturday and queues up at 5:00 at the tennis courts by South 12th Avenue and kicks off at 5:30. He acknowledged the help of PAL< the Fire Department, fellow council woman Mrs. Jorgenson for her donation and Mr. Molina for his.

Adjournment

Mr. Eggleston made the motion to adjourn the meeting at 10:20 pm; Mr. Hamrick seconded the motion. Motion passed 7-0.

Ted Reed
Interim City Manager