

**MINUTES  
CITY COUNCIL MEETING  
Monday November 8, 2010**

***Regular Session***

Council Vice President Karl Marking called the meeting to order at 7:45 p.m. and welcomed everyone to the meeting. Council members present were Council Vice President Karl Marking, Messrs., Jarrell Brazzle, Joseph Hamrick, and Ingrid W. Jones. 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 Rita Shesko of the Police Department, Director of Finance Stacy Bjorhus, Fire Chief Kevin Johnson, and Recording Secretary Ruthann Mowday.

Mr. Marking announced the Council met in Executive Session earlier this evening, November 8, 2010 to discuss Personnel and Legal.

**Approval of Minutes:** *October 19, October 25, 2010 and November 3, 2010*

Mr. Brazzle made a motion to approve the minutes for October 19 and October 25, 2010 with corrections; Mr. Hamrick seconded the motion. Motion passed 4-0.

Mr. Hamrick made a motion to approve the minutes for November 3, 2010 with corrections; Mr. Brazzle seconded the motion. Motion passed 3-0-1. Mrs. Jones abstained due to her absence at the meeting.

**Approval of Accounts Payable**

Mr. Hamrick made a motion to approve accounts payable listing November 4, 2010; Mr. Brazzle seconded the motion. Motion passed 4-0.

**Additions, Deletions or Modifications to the Agenda**

Mr. Hamrick asked to table the presentation of the City of Lancaster until the next meeting because the Lancaster officials are unable to attend the meeting.

Mr. Hamrick asked to remove Item of Discussion #1, Discuss Amendment to Chapter 35, personnel policies.

Mr. Hamrick asked for the addition of Item #6 to discuss the petition.

Mr. Brazzle made a motion to delete the announcement by Council President Edward Simpson; Mr. Hamrick seconded the motion. Motion passed 4-0.

**Presentations**

1. Brandywine Health Foundation – Frances Sheehan

Ms. Frances Sheehan introduced Ms. Chaya Scott and Jill Widcum. Ms. Scott announced the Coatesville Youth Initiative was started in 2008. The program was developed to build relationships with all community shareholders and provide opportunities for the youth. Ms. Scott stated she was grateful to receive Weed and Seed funding. Ms. Widcum thanked Council for letting them update. There are amazing programs that need funding. It is wonderful to have the support of the City. Ms. Widcum announced the 5K race that is being

held prior to the Christmas Parade on December 4, 2010. Everyone is welcome to participate in the race.

2. Fairmount Capital – Early Intervention Program – Dan Connelly

Mr. Connelly explained the purpose; methodology; summary findings; historical financial results; baseline five year forecast; gap closing measures; and the revised financial forecast of the Early Interventions 5 year plan. The purposes is to assess the current financial condition; analyze multi year results rather than single year snap shop; recognize trends and development influencing future revenue and expense patterns; update baseline five year forecast assuming no corrective action; identify new gap closing measures and operational recommendations; and create revised financial forecasts. The methodology was received by reviewing financial records and other documentation relevant to the City's financial position; discussing financial issues with finance director and city manager; collected feedback from department heads and interviewed key stakeholders in the City. The summary findings are; recurring deficits; budgetary structural imbalance; though cost of government increasing, The City has taken steps to stem expense growth. The tax base is struggling to keep pace with the demand for services. The economic development efforts are slow to come to fruition. The City cannot balance budget without the help of non-recurring revenues. The assets are sold and the proceeds are used to fund operations. The "One Shot" stream is thinning. The withdrawals on the reserve trust have put pressure on the operating budget. There is significant corrective action required to remedy structural budget deficit.

**Citizens' Hearings – Regular Action Items Only**

Jeffrey Franz – Non-Resident

Mr. Franz stated he was a principal in the partnership that purchased Millview. He explained when Chetty Builders owned the property they paid the rental license for the year. When Millview was purchased from Chetty Builders it was required to pay the rental license fee again. The fee is not prorated for the 2010 year. He asked for the payment to be applied to the 2011 year.

Mrs. Jones made a motion to close citizen's hearings on regular action items only; Mr. Brazzle seconded the motion. Motion passed 4-0.

**Items for Discussion**

1. Discuss Millview Apartment Request

On Friday, October 22 the Millview Apartments were sold to a new owner, Millview Apartment Homes. The following Monday, October 25, the new owners went to the Codes Department and paid the rental license fee of \$11,270 which is required by the City Code whenever a new owner purchases an apartment complex. The prior owner, Carl Chetty, had also paid this amount for 2010 but Mr. Chetty did not receive any proration for the remaining two months in the year and Millview Apartment Homes did not receive any proration for owning the property for only two months in the year.

Mr. Jeffrey W. Franz, Managing Member of Millview Apartment Homes, has sent the enclosed letter stating that since there are only two months left in the year, he requests the City allow this rental license fee of \$11,270 be considered as full payment for 2011.

Section 136-12 of the City Code provides that a rental license is not transferrable and there is no language included to indicate that the license fee is prorated. Article 108, Section V(4) provides that the annual rental licensing fee is \$40 per unit.

Mr. Brazzle stated the new owner is still responsible for paying the fees. Mr. Marking asked for the staff to look into proration of the rental license fee for a new owner and provide Council with an assessment. Mr. Brazzle asked if this situation has happened before. Mr. Marking stated it has happened to residential property owners. The change is in the interest of the rental owners. Mr. Carnes stated the Ordinance will need to be reviewed. Mr. Carnes explained that it will be lost revenue to the City if changes are made. Mr. Marking asked what the fee was for. Mr. Carnes replied inspections. Mr. Marking suggested a proration on the calendar year. Mr. Brazzle and Mr. Hamrick asked for the item to be brought back before Council once the assessment is complete.

2. Discuss CH Planning Consultants

During a prior Council meeting the staff discussed with Council an ordinance recently adopted by the Norristown Borough Council which provided various restrictions for the transformation of single family houses into multi-family housing. The Council referred this matter to the Planning Commission for consideration and a recommendation. The Planning Commission received the attached proposal from CH Planning Consultants to provide professional consulting regarding this issue and to assist them in developing an ordinance specific to the City of Coatesville. The Planning Commission is respectfully approval from the Council to hire this consultant.

Mr. Molina explained the Planning Commission took the task to amend the Ordinance for single family into multifamily housing. Mr. Marking asked for a schedule cost page. Mr. Marking asked amount would change if not approved this evening. Mr. Reed stated he would contact CH Planning consultants and ask for a hold on the price until the next meeting.

3. Discuss Lien waiver request

Mr. Ben Stoltzfus, Stoltzfus Properties has sent a letter for Council's consideration. His firm is interested in purchasing the vacant lot at 387 South First Avenue next to property his company recently purchased (385, 393, 395 South First). The property was purchased at a tax sale by Bruce Barry who now is willing to give or sell to Mr. Stoltzfus just to get rid of it. Mr. Stoltzfus says there is a great deal of trash and debris on this lot which he is willing to clean up in order to use it for parking for his adjoining properties. There is a water and sewer lien on the property since 1991 and, with interest, has grown to about \$6,000. Mr. Stoltzfus is requesting that the City remove the lien so a clear title can be presented after which he will obtain the lot and clean it up.

Mr. Hamrick asked if Mr. Stoltzfus was purchasing the property. Mr. Carnes explained Mr. Stoltzfus purchased the property adjoining the property. He would like to purchase the property at 387 South First Avenue but there is currently a lien on the property. The property would be purchased for his own person use. Mr. Reed stated the lien is a CCA Lien. Mr. Stoltzfus claims it will take up to \$12,000 to clean up the property and the lien is \$6,000. Mr. Brazzle asked why the City has not gone after the owner of the property for the money. Mr. Reed explained that the City/CCA put a lien on the property. The money would be received after the sale of the property. Mr. Carnes stated the land does not have the value. Mr. Brazzle, Mr. Marking, Mrs. Jones and Mr. Hamrick agreed to let it die.

4. Discuss Coatesville Area School District request

A letter has been received from Mr. Kenneth D. Lupold, Director of Business Administration, Coatesville Area School District, requesting that the City install two speed bumps on Diamond Street near the rear of the Benner Administration Building located at 545 East Lincoln Highway.

Mr. Lupold stated that “Due to the additional number of students and staff required to enter and exit the building, it has become a major safety hazard during peak times, specifically the a.m. bus drop off and the p.m. student pick-up.”

Mr. Brazzle asked how much it would cost to install the speed bumps. Mr. Wilkinson suggested having the school district pay for the cost. Mr. Marking asked how it would affect the Police, Fire and Public Works Departments. Mr. Wilkinson suggested posting Stop signs. Mr. Marking asked if the Police Department have witnessed problems there. Lieutenant Shesko stated that Police cars have been sent out and have not observed a problem. It is hard to put a Police car in that location without being seen, so it’s hard to say the presence of the car is driving problem auto traffic away. Lieutenant suggested installing the flashing yellow lights. Mr. Marking asked staff to reach out to the school district with both options (stop signs and flashing yellow light) and bring back to council for discussion.

5. Discuss appointment to Historic Commission for the term 2010-2012

An application and letter has been received from Mr. Mark Thornton requesting appointment to the Coatesville Historic Commission. Mr. Thornton is a citizen of West Brandywine and has a keen interest in Coatesville’s history.

There are seven members of the Historic Commission. Section 27-5 of the City Code requires that four of the members be Coatesville residents and the remaining three members may be from “the greater Coatesville area.”

Mr. Hamrick announced the letter states the person is well qualified. Mr. Marking asked for the appointment to the Historical Commission for the term of 2010-2012 to be placed on the next meeting agenda.

6. Discuss petition

Mr. Hamrick announced he received a call from a citizen pointing out the conflict of interest regarding the water rates and Mr. Reed. There was truly a conflict of interest as per the Code. Mr. Hamrick stated that he personally feels Mr. Reed has done nothing wrong. He was a witness for the citizens and did due diligence to help the citizens. The consumer advocate wanted two years and the lawyers went as far as they could. Mr. Reed did a great job. He did the best he could. Mr. Brazzle stated he was not happy with the increase at all. He believes Mr. Reed represented the City the best he could. Mr. Brazzle thanked Mr. Reed and stated he doesn’t believe we could have received what we did without Mr. Reed.

Mr. Hamrick stated after the presentation from the Chemical plant, he was angry at Mr. Reed and Mr. Barry. We are working with the people from the Velodrome and these people are coming off the street. Mr. Hamrick stated he is not in support of any plant that’s going to take water and dump waste. We need to get a niche and once we get the niche, things will start moving. Mr. Reed and Mr. Barry did nothing wrong. The person approached them and told them they were coming to the meeting. We cannot stop a person from coming to a meeting and speaking. Mr. Hamrick stated in his opinion Mr. Reed and Mr. Barry did nothing wrong.

Mrs. Jones stated if anything, the negligent act if whomever didn’t read the charter or wasn’t aware of the clause. It’s just negligence. Mr. Brazzle stated that Mr. Reed had stated he would step aside from the negotiations with the rate increase and Council approved Mr. Reed to move

forward. Mr. Marking stated this has to do with perception and process. Mr. Marking asked for the item to be placed on the agenda as an action item for the next meeting.

### **Regular Action Items**

1. Receive and Consider Resolution approving final agreements with Walgreens

The final development plan, escrow account, permits, etc., are ready for Council's approval. A Resolution has been prepared for Council to consider. City Solicitor Carnes and Mr. Ross Wiess, representing Walgreens, will discuss these final documents which, if approved, will allow Walgreens to proceed with construction.

Mr. Carnes announced the plans were approved on October 21, 2010. Mr. Weiss announced the \$10,000 in lieu of payment will be paid when the permit is applied for. The developer was originally going to purchase the land. The developer has opted to lease the land. Mr. Brazzle asked how long the lease is. Mr. Weiss stated he is not sure yet. The Walgreens store will be up by this time next year. Mr. Marking asked what is it, that we are passing. Mr. Weiss explained it is the amount of security. All the changes requested by the City Solicitor have been changed in the agreement. Mr. Carnes stated he does not find the performance bond acceptable. He has provided the City version for bond requirement. Mr. Weiss explained the financial security is being secured by Walgreens. The risk is minimal

Mr. Brazzle made a motion to approve a Resolution of the Council of the City of Coatesville, Chester County, Pennsylvania, authorizing: 1) the signing and release of final subdivision/land development plans for recording relative to property located at 810 East Lincoln Highway, Coatesville (to be developed as Walgreens Store No. 11461; and, 2) the execution of an appropriate City of Coatesville subdivision and land development improvements and maintenance agreement and financial security agreement and the concurrent posting of three hundred and twenty nine thousand, seven hundred and nine dollars and sixteen cents (\$329,709.16) as security for same, this authorization is conditioned upon the finalization of such documents (and establishment of security) in a form satisfactory to the City Solicitor; Mr. Hamrick seconded the motion. Motion passed 4-0.

2. Receive and Consider First Reading an Ordinance of the City of Coatesville, County of Chester and Commonwealth of Pennsylvania appropriating specific sums estimated to be required for the specific purpose of the City Government for the year 2011.

Mr. Hamrick made a motion to approve First Reading an Ordinance of the City of Coatesville, County of Chester and Commonwealth of Pennsylvania appropriating specific sums estimated to be required for the specific purpose of the City Government for the year 2011; Mr. Brazzle seconded the motion. Motion passed 4-0.

3. Receive and Consider First Reading an Ordinance providing salaries and wages for personnel employed by the City of Coatesville for the year 2011

Mr. Brazzle made a motion to approve First Reading an Ordinance providing salaries and wages for personnel employed by the City of Coatesville for the year 2011; Mr. Hamrick seconded the motion. Motion passed 4-0.

4. Receive and Consider First reading an Ordinance amending Chapter 203 (Taxation) of the City of Coatesville, Chester County, Pennsylvania

Mr. Marking asked if there is an increase in the taxes. Mr. Reed replied no. The Ordinance is to keep the taxes where there are now.

Mr. Hamrick made a motion to approve First Reading an Ordinance amending Chapter 203 (Taxation) of the City of Coatesville, Chester County Pennsylvania; Mr. Brazzle seconded the motion. Motion passed 4-0.

5. Receive and Consider proposed agreement from Constellation Electric as our electricity provider. During the last meeting Assistant City Manager Hudson presented a proposed agreement for the use of Constellation Electric as our electricity provider. The Council directed the City Solicitor to review the proposed agreement and report back to Council at this meeting.

Mr. Hudson explained the new rate show \$.069 cents. This is a \$4,000 increase since the last meeting. He recommended the 1 year term fix. The drop dead date ends tomorrow at 9:00 am and the next time to take advantage of the deal is January 1, 2010. Mr. Marking explained the increase was \$2,300 and the City lost the three year rate. Mr. Hudson explained 110 municipalities have signed on with Constellation. Mr. Carnes explained he reviewed the contract and feels comfortable with it.

Mr. Brazzle made a motion to approve the proposed agreement from Constellation Electric as the City's electricity provider; Mr. Hamrick seconded the motion. Motion passed 4-0.

6. Receive and Consider Proclamation for the Ministers Alliance of Coatesville and vicinity. Mr. Reed explained Mr. Eggleston asked for the Proclamation for the Ministers Alliance of Coatesville and the vicinity at the last meeting. Mr. Marking read the Proclamation.

No action was required.

7. Receive and Consider Riverwalk/Brandywine Creek Trail Project – Change Order No. 2 Final. The River Walk/Brandywine Creek Trail project is near completion. With the final payment application looming, a final change order (deduct) is needed to adjust for final quantities and to add an additional GFCI breaker to the splash pad for successful operation.

The final change order is needed because the project was bid on a "unit price" basis meaning the bid form indicated a number or amount for a particular item. The bid form's requested number/amounts didn't match the approved plan numbers/amounts and final quantities at the end of the project, particularly in the paving and color coat items. Since the approved plans take precedence over the bid form, a change order is required to zero out the contract on the final invoice. This change order has been approved by the City's Engineer and Contractor and will deduct \$6,064.40 from the construction contract, which will be used to offset engineering/design costs.

Mr. Brazzle made a motion to approve the the Change Order #2 for the Riverwalk/Brandywine Creek Trail Project; Mr. Hamrick seconded the motion. Motion passed 4-0.

### **Solicitors Report**

Mr. Carnes had no report at this time.

### **City Manager's Report**

Mr. Reed announced the Staff and Coatesville Redevelopment Authority are diligently working with the developers of the Velodrome. There is daily contact with the developers and their consultants and engineers. The RDA recently approved a geotechnical contract to test the subsurface in areas where the Velodrome is proposed to be constructed. The purpose of this work is to assure that the ground is capable of supporting the structure. The developers are just getting underway with another market study to update the statistics already gathered. It is believed the developers and the RDA will be able to complete the due diligence work and begin discussions about the land in a short period of time.

This project is drawing quite a lot of attention from across the region and the County. People have become excited about the possibilities of actually locating a world-class facility in Coatesville. The Staff is doing everything it can to assure its occurrence.

Mr. Reed announced the Staff continues to work with Mr. Don Pulver and his group to complete all the necessary work to allow him to proceed with construction of the Marriott Courtyard Hotel. There have been many last minute issues that have had to be resolved. Last week the Council approved a Highway Occupancy Permit (HOP) which the State Department of Transportation is requiring the City to obtain for the storm drainage maintenance on Route 82 near the Hotel. This HOP has been submitted to PennDOT and is expected to be issued within the next week or so. The Council will also need to consider the two final agreements for this development at their November 22 meeting. With all approvals in hand, Mr. Pulver expects to hold a “groundbreaking ceremony” in December and get under construction thereafter. This is another project that has been long awaited and will be extremely important to setting the tone for revitalization of Coatesville.

Mr. Reed announced with the approvals of several agreements at the Council meeting tonight, Walgreens will be ready to begin demolition and construction of its new facilities. The community is very excited about this new business and will certainly be just as supportive.

Mr. Reed stated he offered to withdraw and have nothing to do with the sewer rate increase. He followed the direction from City Council.

#### **Citizens’ Hearings – *Non-Agenda Items***

Marie Hess – Resident

Ms. Hess explained the Code Volunteer Program. She asked Council to accept the Code Volunteer Program by Resolution. The Volunteers cleaned up a property on Fleetwood Street. The property is owned by the Redevelopment Authority. Mr. Reed stated he would prepare a Resolution.

Ted Skiadas – Resident

Mr. Skiadas stated he has been a resident for 58 years. It is very rare to have a City Manager that has the interest of the City. Mr. Reed is the leader for the immediate future. The City needs continuity. He asked City Council to consider having Mr. Reed for one more year.

John Pawlowski – Resident

Mr. Pawlowski stated he was at the RDA meeting and was upset. Mr. Pawlowski stated he was informed by the phone about the Chemical plant. Mr. Reed and Mr. Barry cannot approve anything. The approval comes by vote of the RDA members. An RDA member stated that previous RDA member’s rubber stamped things. I was a previous member and I never rubber stamped anything.

Michael Purnell – Resident

Mr. Purnell stated that he has been harassed by the Animal Control Officer dating back to 2006 to the present day. He has had his name slandered, harassed and false charges placed against him. Chief Canale has not returned any of his calls. He stated that Ms. Scott cannot do her job without prejudice. She is prejudice against pitbulls. Lieutenant Shesko stated Mr. Purnell has spoken to every officer. He has been referred to an investigator. Mr. Purnell will not sit down with the investigator and give a statement.

Ben Bruton - Resident

Mr. Bruton stated his problem is with the Codes Department and the property next door. He invited Mr. Baker to his property to look at the Codes issues. Mr. Bruton stated his wife was asked for a copy her driver's license to file a complaint. This is totally unacceptable. Mr. Bruton stated citations have been issued in January and no action has been taken since. He is concerned for the health and safety of the abutting property owners.

Mrs. Jones made a motion to close citizen's hearings on non agenda items; Mr. Hamrick seconded the motion. Motion passed 4-0.

### **Council Comments**

Mr. Brazzle thanked everyone for attending the meeting. He is excited to see the City moving forward. It is great to see people clean up the City. He stated Mr. Reed is a great leader right now and helping to move the City forward. I would extend him for another year.

Mr. Hamrick thanked everyone for attending the meeting. He does not want everyone to not execute their 5<sup>th</sup> amendment rights. Everyone has the right o freedom of speech. If you do not like anything that is going on here, feel free to let us know anytime. There are no reprisals.

Mrs. Jones thanked everyone for attending the meeting. We have been doing a lot of work and we still have a lot to do. The conflict of interest was cause for dismissal, not administrative leave. I did not know that. It could be negligence on anybody's part. It could be negligence on mine.

Mr. Brazzle stated it was not negligent, due to the fact that City Council approved Mr. Reed's involvement.

Mr. Marking announced the Halloween Parade went better than was expected. It was disappointing the City's Public Relation official was not there to take pictures. The showing was remarkable. Mr. Marking thanked the individuals for their donations. Mr. Marking stated that he recognizes Mr. Reed made an important contribution to the process of working with the attorneys to negotiate the settlement. I am of the mind that it was a conflict of interest. Mr. Marking stated that Mr. Reed said he came to Council and offered to recuse himself. He personally does not recall that. It is the perception that fires people up less than reality.

### **Adjournment**

Mrs. Jones made the motion to adjourn the meeting at 10:30 pm.; Mr. Brazzle seconded the motion. Motion passed 4-0.

Ted Reed  
Interim City Manager