

**MINUTES
CITY COUNCIL MEETING
Monday November 22, 2010**

Public Hearing for the 2011 Draft Municipal Budget

Council President Edward Simpson called the Public Hearing on the 2011 Draft Municipal Budget to order at 7:50 pm.

Mr. Reed read the budget narrative for the 2011 Draft Municipal Budget. 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. The 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. All taxes and fees remain the same in the proposed 2011 budget.

Mr. Simpson asked the public for any questions on the budget.

Kevin Rolston – Resident

Mr. Rolston asked if the budget reflects the taxes that have not been paid. Mr. Simpson stated he does not believe so. Mr. Reed stated the City is approaching close to \$700,000 received for delinquent taxes.

Mr. Eggleston made a motion to close the Public Hearing for the 2011 Draft Municipal Budget at 8:10 pm; Mr. Brazzle seconded the motion. Motion passed 6-0.

Regular Session

Council President Edward Simpson called the meeting to order at 8:10 pm and welcomed everyone to the meeting. Council members present were Council President Edward Simpson, Msrs., Jarrell Brazzle, Martin Eggleston, Joseph Hamrick, 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, Director of Finance Stacy Bjorhus, Fire Chief Kevin Johnson and recording secretary Ruthann Mowday.

Mr. Simpson announced an executive Session was held earlier this evening, November 22, 2010 to discuss Personnel and Legal.

Mr. Simpson announced Mr. Marking would not be in attendance.

Approval of Minutes: *November 8, 2010*

Mrs. Jorgenson made a motion to approve the minutes for November 8, 2010 with corrections; Mr. Brazzle seconded the motion. Motion passed 6-0.

Approval of Accounts Payable

Mrs. Jones asked about the Arcelor Mittel cost. Ms Bjorhus explained Arcelor Mittel owns a lot and the City pays taxes on the lot. Mr. Reed explained the lot is across the street from the Public Works Building.

Mrs. Jorgenson made a motion to approve the accounts payable listing dated November 18, 2010; Mr. Brazzle seconded the motion. Motion passed 6-0.

Additions, Deletions or Modifications to the Agenda

There were no additions, deletions or modifications to the agenda.

Presentations

1. Resolution recognizing Coatesville Citizen
Mr. Pawlowski was recognized for his service to the City. Janet Yost sang the Impossible Dream for her father. Mr. Simpson read the Resolution.
2. 2008 Municipal Audit Presentation
Mr. Reed explained Ms. Baker will be at the meeting later.
3. Financial Report
Ms. Bjorhus explained the total unrestricted funds are \$468,645 and the total restricted funds are \$13,972,314. Ms. Bjorhus reviewed the revenue and expenditure summary report for the General Fund. Ms. Bjorhus announced the City received the transfer tax for the sale of Millview.

Citizens' Hearings – Regular Action Items Only

Stephen Stoltzfus – Resident

Mr. Stoltzfus explained the issue with trash at 387 1st Avenue. He asked for the City to waive the interest and penalties on the lien for the property. He offered to pay the initial lien of \$1,500. The fee with interest in penalties totaled \$6,000.

John Pawlowski – Resident

Mr. Pawlowski talked about the appointment to the Vacant Property Committee. He thanked Council for the Resolution. It was unexpected and undeserved. Mr. Pawlowski discussed the Coatesville Codes Volunteer program and how it will help the City.

Mrs. Jones motioned to close the citizens' hearings on regular action items; Mr. Eggleston seconded the motion. Motion passed 6-0.

2008 Municipal Audit Presentation

Ms. Baker handed Council a 57 page report. Ms. Baker explained in the 2008 audit there is \$160,000 unaccounted for. She explained the financial software change in 2008 without the carryover from 2007. The entire 2008 year ran that way. The basic internal controls were not followed. In 2009, the City purchased a new system without 2008 checks and balance in place. This is the worst report ever generated for City of Coatesville. There are a lot of issues here. The biggest source of income come through a third party. The auditors recommended putting down 2008 and moving forward with the 2009 and 2010. The City needs to get the audits current. Mr. Hamrick asked about the statement made about the possibility of fraud. Ms. Baker explained the three triangles of fraud. Mr. Hamrick asked Ms. Baker to explain the pension MMO's in laymen's terms. Ms. Baker explained the critical pieces of the pension. Mr. Simpson asked about the unaccounted \$160,000. Ms. Baker stated it is not as vanilla as saying someone took \$160,000 in January 2008. It could just be bad accounting. There is not a system there. There was no reconciliation. Mr. Simpson asked if Ms. Baker felt a true forensic audit should be done or is it a waste of money. Ms. Baker stated the weaknesses are so strong that she is not sure the City would get the result they are looking for. She is most concerned with the new system and to get the City back on track. The City needs to get current. Mr. Simpson asked what the biggest road block is for 2009. Ms.

Baker stated the biggest turnover was staff. The staff had to learn the system where the information is not there. Mrs. Jorgenson asked where we stand for 2009. Ms. Baker explained the preliminary work has been started but needs to work with Ted and Stacy to start 2009.

Items for Discussion

1. Discuss Millview Apartments – Annual Rental License Fees

During the last meeting the City Council considered a request from Mr. Jeffrey Franz, Managing Member of Paradise Property, LLC, owner of Millview Apartments, to allow the \$11,270 annual rental license fee required to be paid upon purchase of the apartments in October to be allowed for 2011. The Council directed the City Solicitor, Interim City Manager and Codes Director to study possible options to present to the Council

Mr. Carnes explained the provision on the Ordinance would need to be amended. Mr. Molina explained the proration amendment for the Ordinance. Mr. Hamrick asked how it would affect the homeowners. Mr. Molina explained the transfer for the homeowner would be the same. Mr. Simpson asked for information since he was not in attendance at the last meeting. Mr. Reed explained the request to Mr. Simpson. Mr. Brazzle stated the lawyers and the purchaser were aware that the fee would be paid twice. The fees should have been negotiated at the sale. Mr. Molina explained the fee was for \$35.00 per unit. Mr. Eggleston asked what amount of fees Chetty was released from. Mr. Molina replied \$3,700. Mr. Eggleston stated if this ever happens again the penalty should not be forgiven. Mr. Carnes stated the easy change is to allow the license to be transferred. Mr. Molina explained that all sales of rental units may make the same request. Mr. Simpson asked if there is a loophole in the ordinance to collect it twice if there is a transfer since the money has already been collected for this year. He stated changing the Ordinance would be more business friendly. Mr. Brazzle stated this has been in effect for year; if it's not broken why fix it. Mrs. Jorgenson stated that new businesses may feel penalized when starting out in the City. Mr. Eggleston stated that is the price of doing business.

2. Discuss Benner School Speed Bumps

During the last meeting the Council received a request from the Coatesville Area School District for the City to place speed bumps on Diamond Street behind Benner School in order to slow down traffic.

Mr. Reed stated he has not received additional information from the School or Police Department. Mr. Hamrick stated the speed bumps will be detrimental to the snow plow blades.

3. Discuss Water and Sewer Lien Request

During the last meeting the Council received a request from Mr. Ben Stoltzfus for the City to waive a 1990 water and sewer lien against the vacant property at 387 South First Avenue which is owned by Mr. Bruce Berry. Mr. Stoltzfus' firm, Stoltzfus Properties, would like to purchase this property for use as additional parking or yard area for his adjoining property at 385, 393, and 395 South First Avenue. There is presently trash and rubble on this property that he is willing to clean and remove upon his ownership. The Council took no action on this request during the meeting.

Mr. Stoltzfus has sent a follow-up letter agreeing to pay the original lien amount of \$1,546.82 and requests that the City waive the remaining penalties and interest amounting to about \$4,450. He has estimated the costs to clean up this lot may be between \$5,000 and \$10,000.

Mr. Simpson asked how much trash was on the lot and what the amount in citations is. Mr. Molina stated the area is almost inaccessible. Mr. Brazzle stated it has been two weeks since Council was informed, there has been no clean up or citations. Mrs. Jorgenson explained the lien is from when the City owned the water authority. She asked where the records all the records are located. If the City accepts the proposal, the lot will be cleaned up and the property will be back on the tax rolls. Mr. Hamrick asked for a contract guaranteeing the work will be completed in exchange for the waiver. Mr. Simpson asked for the item to be placed on the next agenda with an agreement from Mr. Carnes. Mr. Eggleston asked for a guesstimate on the annual taxes for the property. Mr. Reed stated the property is worth about \$2,500, which would make the taxes about \$20.

4. Discuss Application for Appointment to City's Vacant Property Committee

The City has received an application from Ms. Marie Hess, City resident, to be appointed to the City's Vacant Property Committee for a four year term. Ms. Hess has been very active in the community efforts to beautify the City and is a member of the Weed and Seed Beautification Committee.

Mrs. Jorgenson stated it is nice to see someone volunteer for the committee.

Mr. Brazzle made the motion to appoint Marie Hess for the Vacant Property Committee for the term 2010-2011; Mr. Eggleston seconded the motion. Motion passed 6-0.

Regular Action Items

1. Receive and Consider Resolution of the Council of the City of Coatesville, Chester County, Pennsylvania, authorizing: 1) The signing and release of Preliminary/Final Subdivision/Land Development Plan Coatesville Redevelopment Project Courtyard Hotel and Office Building by Coatesville Inn Associates, for Property located at the Southwest Intersection of Routes 82 and 30 and Bounded by the Brandywine Creek to the West; and, 2) The Execution of an appropriate Development Agreement and the posting of an Evergreen \$10,000.00 Cash Escrow Account and Posting of Security for Identified Public Improvements Accompanying same; 3) The Execution of an Access Road Easement Agreement proving Access from Route 82 through the property subject to Subdivision/Development to City property on the Western Side of the Brandywine Creek (and permitting the Construction of a bridge for such purposed); and 4) Approving a Reciprocal Easement Declaration to be executed by the developer, and the Redevelopment Authority of the City of Coatesville to provide for reciprocal easements to permit development of the Hotel and Parking Garage and Office Building at separate time. This authorization is conditioned upon the finalization of such documents in a form satisfactory to the City Solicitor and the release of documents for filing in accordance with instructions from the City regarding the same.

A Resolution is presented for approval of the signing and release of three documents for the Coatesville Inn Associates to construct the Marriott Courtyard Hotel.

Mr. Weiss explained the deal needs to be closed by December 13, 2010 in order to secure the funds. The resolution is necessary for the closing. The project will be 13-14 months from the groundbreaking to completion.

Mr. Brazzle made a motion to approve Resolution of the Council of the City of Coatesville, Chester County, Pennsylvania, authorizing: 1) The signing and release of Preliminary/Final Subdivision/Land Development Plan Coatesville Redevelopment Project Courtyard Hotel and Office Building by Coatesville Inn Associates, for Property located at the Southwest Intersection of Routes 82 and 30 and Bounded by the Brandywine Creek to the West; and, 2) The Execution of an appropriate Development Agreement and the posting of an Evergreen \$10,000.00 Cash Escrow Account and Posting of Security for Identified Public Improvements Accompanying same; 3) The Execution of an Access Road Easement Agreement proving Access from Route 82 through the property subject to Subdivision/Development to City property on the Western Side of the Brandywine Creek (and permitting the Construction of a bridge for such purposed); and 4) Approving a Reciprocal Easement Declaration to be executed by the developer, and the Redevelopment Authority of the City of Coatesville to provide for reciprocal easements to permit development of the Hotel and Parking Garage and Office Building at separate time. This authorization is conditioned upon the finalization of such documents in a form satisfactory to the City Solicitor and the release of documents for filing in accordance with instructions from the City regarding the same; Mr. Hamrick seconded the motion. Motion passed 6-0.

2. Receive and consider CH Planning Consultants Proposal

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.

The Council discussed this matter during the last meeting and directed that this item be placed on tonight's Action Agenda

Mr. Carnes explained that he could probably create the Ordinance for a lower cost that what CH Planning Consultants have proposed. His fee would be about \$5,000. Mr. Molina stated CH Planning has firsthand knowledge of other municipalities. Mrs. Jorgenson asked if Mr. Carnes and Mr. Molina could have this completed by March 1, 2010. Mr. Carnes and Mr. Molina stated the Ordinance will be completed by March 1, 2010.

Mr. Eggleston made a motion to approve CH Planning Consultants Proposal; Mr. Hamrick seconded the motion. Motion failed 6-0.

3. Receive and consider City Manager Search

The City has received thirty-two applications from across the country for the permanent City Manager. The City has contacted Keystone Municipal Services for possible assistance to complete this search. A proposal has been submitted for this service.

Mr. Hamrick made a motion to approve Keystone Municipal Services for assistance to complete the City Manager search; Mr. Eggleston seconded the motion. Motion passed 6-0.

4. Receive and consider a Resolution for the Coatesville Codes Volunteers

During the October 25 Council meeting Ms. Maria Hess gave a presentation explaining the Coatesville Code Volunteer Program consisting of the City's Weed and Seed Community Policing Sub-committee recently organized to assist the City Codes Department in the identification of code violations. This Sub-committee has been designed with the assistance of the Codes Department to identify and report violations of the top seven codes violations. The Codes Department has and will continue to work with this group of citizens to train them in identifying code violations and reporting them as they are discovered.

Members of the Coatesville Code Volunteer Program have requested that the City Council officially recognize this Sub-committee to create credibility of the members upon completing the training.

Mr. Simpson asked what the length of time and type of training is required. Will the City be training them? Mr. Molina explained the training will take 2-3 weeks. The meetings are scheduled for the evenings. Mr. Simpson stated that the volunteers will not be representatives of the city, they cannot take any action. The intent is to observe, take pictures, and notify the Codes Department of the violations. Mr. Molina stated the volunteers are not working in the capacity of a codes officer. Mr. Eggleston stated that he has mentioned in the past to cross train the firefighters. He recommended the firefighter to be included in the training. Mr. Simpson explained the City would need to check to see if this would be permitted in the bargaining unit. Mr. Simpson and Mr. Eggleston asked Mr. Carnes to look in whether this would be permitted for the firefighters.

5. Receive and consider appointment to the Coatesville Historic Commission for the term 2010-2012

During the last meeting the discussed the attached application and letter 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 made a motion to appoint Mark Thornton to the Historic Commission for the term 2010-2012; Mr. Hamrick seconded the motion. Motion passed 6-0.

Solicitors Report

Mr. Carnes asked for questions on the Solicitors report. There were no questions.

City Manager's Report

Mr. Reed asked for any questions on the City Manager's Report. There were no questions.

Citizens' Hearings – *Non-Agenda Items*

Marie Hess – Resident

Ms. Hess explained that an officer ticketed vehicles on 3rd Avenue. A person that received a ticket came to City Hall to complain and was told that Ms. Hess was complaining every day and they ticketed as many people as possible to get her to shut up. Mr. Eggleston asked Ms. Hess to ask the person who at City Hall made that comment to them.

Jeannette Hurdle - Resident

Ms. Hurdle explained she had called the Police Department on someone running through the alley. She waited for the Police. The Police did not show up so she called again. She was told the officers were backed up. She was very disturbed at the Police Department. She asked who she is to call. The Chief does not return the calls.

Khadijah AlAmin -Resident

Ms. AlAmin asked why the action item for the petition was not placed on the agenda. Mr. Simpson stated he removed the item since no action was to be taken. He asked Council members what the action item was and no one could tell him the action. Ms. AlAmin stated she talked with Mr. Marking and he was a little upset the item was removed. She stated she was going to contact the City Commissioners, news stations, and seek legal counsel on the item removed from the agenda after a vote was taken to place it on the agenda.

Kevin Rolston - Resident

Mr. Rolston handed Council a photo of property that was the core source of spreading blight. He asked how his property for sale was selected for inspection. He stated his neighbor complained about his property. The neighbor must have contacted the Codes Officer to place violations on my property which is for sale and he is interested in. Mr. Rolston stated when a person reports a violation, the source should be investigated. Mr. Simpson stated he would have Mr. Molina and Mr. Reed meet and get to the bottom of this.

Patti Brown - Resident

Ms. Brown explained that her building was involved in the September 29, 2010 shootout. One of the shooters was on the third floor above her bedroom. The shooting has traumatized her and her neighbors. She asked if anything was going to be done security wise to ensure the safety and peace of mind. Mr. Reed stated he would contact the Chief of Police and see if there is a resolution.

Mr. Hamrick made a motion to close citizens' hearings on non agenda items; Mr. Brazzle seconded the motion. Motion passed 6-0.

Council Comments

Mrs. Jones thanked everyone for attending the meeting. She stated we have got a lot done, but we still have a long way to go. She wished everyone a happy holiday.

Mrs. Jorgenson stated we had a lot of good things on the agenda this evening. It seems like we moved through quite a few things. Mrs. Jorgenson wished everyone a happy holiday and happy thanksgiving.

Mr. Hamrick recognized the 400 citizens who signed the petition. He did not feel the petitioner's did anything wrong. He thinks some council members tend to think that the people who signed the petition did not read it before they signed it. He stated from his experience the people do read the petitions before they sign them. Most of the people on the petition are people on the minister's alliance, doctors, and

business owners. There is a trust, and the people do not have it. They do not trust the government,. The water thing has fueled uproar. He is in support of the people who signed the petition even if he does not have the same belief.

Mr. Eggleston stated it has been an emotional seven years as a Council member. He was born and raised here in the City. There is a lot that goes on behind the scenes, and ask a council person, as an elected official chosen to asset in making the decisions to govern this City. There are some days he asks himself why he is still doing this and then there are other days like today, when he sees the effectiveness of their decisions. He stated he has recognized as a council member that no matter what decision is made, someone is going to have a problem with it. He asked everyone to stay encouraged, vote your conscience, and try to do the right thing. He believes that everyone person who sits here has the intention of doing good things for the City.

Mr. Brazzle thanked everyone for coming out and wished everyone a good holiday. He stated we are doing the best to move the City forward. We agree to disagree. He does not always agree with everyone that sits around the table, but that is what makes a good government. We do not always have to agree, we all have different opinions.

Mr. Simpson thanked everyone for coming to the meeting. We have almost completed one year. There is still a lot of work to do, but we're starting to make significant progress. There are a lot of good things in the works. As far as some members in the community, as far as the petition is concerned, in his opinion, in looking at the petition, it was half truths and half lies. There were a lot of things that were just statements. There was nothing that gave an explanation on a lot of the issues. If Council members would like to put an action item on their addressing the petition, that's their prerogative, and we can put it on there, as long as they can say what the action item will be. He stated he stands by his actions. There was no action so he removed it from the agenda.

Adjournment

Mr. Brazzle made a motion to adjourn the meeting at 10:35 pm; Mr. Eggleston seconded the motion. Motion passed 6-0.

Ted Reed
Interim City Manager