

MINUTES
CITY COUNCIL MEETING
Council Chambers, 1 City Hall Place, Coatesville, PA
September 26, 2016

Call to Order

President Lavender-Norris called the meeting to order at 7:40 pm and welcomed everyone to the meeting. Council members present were President Linda Lavender-Norris, Vice President Marie Lawson Mssrs, Joseph Hamrick, Edward Simpson, Mrs. Carmen Green, Mrs. C. Arvilla Hunt and Mrs. Ingrid W. Jones. Staff members present included City Manager Michael Trio, City Solicitor John Carnes, Fire Chief Garry Alderman, Police Chief John Laufer and recording secretary Ruthann Mowday.

President Lavender-Norris announced an Executive Session was held on September 26, 2016 to discuss personnel and legal matters.

Approval of Minutes:

Mrs. Hunt made a motion to approve the September 12, 2016 meeting minutes; Vice President Lawson seconded the motion. Motion passed 7-0.

Approval of Accounts Payable

Mrs. Hunt made a motion to approve the accounts payables; Vice President Lawson seconded the motion. Motion passed 7-0.

Additions, Deletions or Modifications to the Agenda

Vice President Lawson made a motion to add action item 4) Resolution for the KOZ application and discussion item 1) Kaboom; Mrs. Hunt seconded the motion. Motion passed 7-0.

Presentations

There were no presentations at this time.

Citizens' Hearings – Regular Action Items Only (3 Minutes)

There were no citizens' hearings on regular action items only at this time.

Regular Action Items

1. Receive and consider receipt of 2017 Minimum Municipal Obligation (MMO)

The 2017 Minimum Municipal Obligation ((MMO) statements were produced by the plan actuary, John Vargo of Conrad Siegel Actuaries. Finance Department staff completed the worksheets based on salary and employee contribution projections for City employees presently eligible for one of the three pension plans: Police, Firemen, and Non-Uniformed. The MMO statements are signed by the City's Chief Administrative Officer, Michael T. Trio.

The completed MMO worksheets were reviewed with the actuary. The "Normal Cost" is calculated by the actuary as an estimate of the cost of providing the defined benefit of each plan. The "Administrative Expense" is also calculated by the actuary as an estimate of expenses that are charged to the plan by service providers such as the actuary, financial advisor, and legal counsel. The normal and administrative cost rates are noted as a percentage of payroll. The total of the normal and administrative cost percentages is applied to the estimated gross payroll

for each plan. The highest cost plan, on a percentage basis, is the Firemen Plan at 25.0%, then the Police Plan at 23.4%, and then the Non-Uniformed Plan at 9.4%. The highest cost plan, on a dollar basis, is the Police Plan based on the sheer number of participants.

The long-term cost of the plan is the amortization to provide annual funding to cover the unfunded actuarial liability for each plan. Depending on the financial position of the plan, the actuary may determine an amortization requirement which is a charge included in the MMO to catch up funding the plan. A well-funded plan would have no amortization requirement and could include a credit to the MMO calculation which is noted as “10% of Negative Unfunded Liability”. But since each plan has an unfunded actuarial liability, there is an amortization contribution requirement. The Act 44 optional remedy of a 75% amortization is not available this year, as it has been elected for the last two years. Therefore full amortization is included in the 2017 MMO.

In total, the 2017 MMO breaks down as follows:

PLAN	MMO	Est. State Aid	Net MMO cost
Non-Uniformed	154,520	115,863	\$ 38,657
Police	854,246	249,408	\$ 604,838
Fire	155,849	34,367	\$ 121,482
TOTALS	\$ 1,164,615	\$ 399,638	\$ 764,977

Mrs. Hunt made a motion to approve receipt of the 2017 Minimum Municipal Obligation; Vice President Lawson seconded the motion. Motion passed 7-0.

2. Receive and consider a first reading an Ordinance authorizing exemptions, deductions, abatements and credits for real property, earned income tax, net profits, mercantile and business privilege taxes within a specific geographic location within the City of Coatesville designated as a proposed Keystone Opportunity Zone (KOZ), in order to foster economic opportunities, stimulate industrial, commercial, and residential improvements and prevent physical and infrastructure deterioration within areas of the City of Coatesville, Commonwealth of Pennsylvania, upon certain terms and conditions.

KOZs are parcels of land and buildings in selected Central Pennsylvania business parks and industrial areas with unique tax incentives and development designations. KOZs are defined, limited areas approved by the state with virtually no tax burden for businesses. Each zone has multiple sub-zones that encompass different parcels of available property.

The City, County and School District are required to vote in favor or the application to move forward. Once approved, the application will go to Harrisburg for approval.

Mr. Simpson made a motion to approve first reading an Ordinance authorizing exemptions, deductions, abatements and credits for real property, earned income tax, net profits, mercantile and business privilege taxes within a specific geographic location within the City of Coatesville designated as a proposed Keystone Opportunity Zone (KOZ), in order to foster economic opportunities, stimulate industrial, commercial, and residential improvements and prevent physical and infrastructure deterioration within areas of the City of Coatesville, Commonwealth of Pennsylvania, upon certain terms and conditions; Vice President Lawson seconded the motion. Motion passed 7-0.

3. Receive and consider “Trick or Treat” to be held on October 31st from 6pm to 8pm annually.
Mrs. Green questioned when Halloween falls on a Sunday.

Vice President Lawson made a motion to approve “Trick or Treat” to be held on October 31st from 6pm to 8pm annually except when falls on a Sunday (change to the Saturday before) Mrs. Hunt seconded the motion. Motion passed 7-0.

4. Receive and consider a Resolution authorizing exemptions, deductions, abatements and credits for real property, earned income tax, net profits, mercantile and business privilege taxes within a specific geographic location within the City of Coatesville designated as a proposed Keystone Opportunity Zone (KOZ), in order to foster economic opportunities, stimulate industrial, commercial, and residential improvements and prevent physical and infrastructure deterioration within areas of the City of Coatesville, Commonwealth of Pennsylvania, upon certain terms and conditions.

Mrs. Green made a motion to approve a Resolution authorizing exemptions, deductions, abatements and credits for real property, earned income tax, net profits, mercantile and business privilege taxes within a specific geographic location within the City of Coatesville designated as a proposed Keystone Opportunity Zone (KOZ), in order to foster economic opportunities, stimulate industrial, commercial, and residential improvements and prevent physical and infrastructure deterioration within areas of the City of Coatesville, Commonwealth of Pennsylvania, upon certain terms and conditions; Vice President Lawson seconded the motion. Motion passed 7-0.

Discussion Item

1. Discuss Kaboom

The equipment will be placed in the park on Friday, October 7, 2017. Vice President Lawson presented Council with pictures of the new equipment. If the equipment goes over budget, Kaboom will decide what items will need to be omitted. The City will not fund the overages.

Solicitors Report

Mr. Carnes announced he:

- worked with DEPG regarding its projects on Lincoln Highway in the City and reviewed a revised Memorandum of Understanding supplied by DEPG which has been modified and sent back to DEPG with comments of the City Solicitor and Infrastructure Council
- Assisted City Engineer with subdivision of add-on 5 acre lot (already subject to City easement) connecting City property south of the By-pass to Route 340. West Caln Township Planning Commission unanimously supported the application subject to compliance with the Township Engineer's Review Letter and this is now going before the Board of Supervisors. The Valley Township Valley Township Planning Commission, considered the application but is awaiting further review of the assertion by the Township Engineer that a variance is needed because of the width of the "lot" which is below the minimum width size. The City is seeking an interpretation as this is not a building lot and the actual add-on insofar as it is in Valley Township never reaches Route 340 to have road frontage. If necessary a dimensional variance will be sought.
- Filed a Deed of Reversion relative to Tax Parcel 16-1-40 which was transferred to the

Redevelopment Authority with rights of reversion if the Pulver project did not make use of this parcel (and other parcels north of the by-pass and west of Route 82 and south of Route 340) within a specified time frame. The Deed of Reversion was filed on September 22, 2016.

- The City Solicitor has assisted with various miscellaneous matters relating to the Pension Ordinance, Insurance and various matters involving litigation and enforcement and has assisted the City in its interpretation of codes, rules and regulations.

City Manager's Report

Mr. Trio announced:

- The streetlight retro-energy savings project has been completed.
- City Hall Renovation project has been repriced.
- Coatesville Gateway Project – DEPG redevelopment plan. Not expecting any changes.
- Saha Subdivision – processing subdivision plans in Valley and East Caln townships to acquire access right of way to access city property from RT 340.
- Working on Energy Park initiative at the Landfill
- No new zoning projects pending (Mrs. Green asked about the daycare. He reapplied in June and thought everything was in order. Council asked for the process to be reviewed)

Mr. Trio announced the Coatesville Grand Prix was a success and he thanked everyone who worked, volunteered and attended the event. Mr. Simpson thanked Mr. Trio for the event.

Citizens' Hearings – *Non-Agenda Items Only* (3 Minutes)

Emma Hines & Regina Lewis

Ms. Hines voiced her concerns regarding the housing management. Would like to set up a meeting with management and the City. Mrs. Lewis stated there is a major problem with the management team. Mr. Trio explained the issues found by the Codes Department.

Sandra Miles

Ms. Miles voiced her concerns regarding the management at her housing establishment. The one manager left for a couple of months after finding bugs in the building. The whole building needs to be exterminated for bed bugs not just one or two apartments.

Michael Ford

Mr. Ford started the management at the housing establishment at 140 East Chestnut Street is not complying with the HIPPA law and is sharing private info. The post notices on peoples doors of what they are past due.

Joe Leofsky

Mr. Leofsky congratulated Mr. Trio and council on a job well done with the Grand Prix. It was a huge success. He is glad the City has a man of ideas and action. He questioned the amount of non-uniformed employees since there are not a lot of employees other than Police and Fire.

Fran Scamuffa

Ms. Scamuffa thanked everyone for the spectacular event on Saturday. Had a wonderful time. She is behind Mr. Trio 100%. Just think if we had an Assistant City Manager of how much farther we can go.

Paul Evans

Mr. Evans thanked everyone for the assistance on the event on Saturday. It was a huge success. The Grand Prix is a new development for the City. Vision, Strong leadership, philanthropy and volunteers carried the day. Our city is cleaner and we have received a PR boost. Encourage Council to be open to all ideas that attract people to the City.

Mrs. Green made a motion to close citizen's hearings on non-agenda items; Mrs. Hunt seconded the motion. Motion passed 7-0.

Special Events

There were no special events at this time.

Council Comments

Mr. Hamrick stated it's great to be back. He had a great time Saturday at the event. We were showcasing our City, we brought people in and they can't wait to come back. The committee had no trouble finding volunteers. It was a risk we had to take. Commended Council members for their support.

Mrs. Green stated the event was truly phenomenal, well received by the people. She looks forward to more events. It is a good thing that an Assistant City Manager was not hired due to the City's current financial situation (MMO). Money was saved in the Administration department and the PW department without hiring the ACM of fulltime director. The City has an economic person who helps out. There is more to the City than projects. Next week starts the budget process.

Mrs. Jones thanked everyone for attending the meeting. Saturday, September 24, 2016 was a momentous occasion for the City of Coatesville. A special thank you to Mr. Trio, City Manager for the spectacular automobile race. Mr. Trio, you outdid yourself. A special thank you to Chief Laufer, his entourage in law enforcement, the fire department, public works department, donors and volunteers. It was indeed a great day. She quoted "A moment's insight is sometimes worth a lifetime's experience." By Oliver Wendell Holmes.

Mr. Simpson thanked everyone for attending the meeting. The one bad thing about the event on Saturday was that none of the press showed up. He called the Daily Local News about his disappointment of no reporting the success of the event. Nobody believed in us, no one believed it was going to happen. Next year it will be bigger and better.

Mrs. Hunt thanked everyone for attending the meeting. She apologized for not attending the event due to a work commitment in New York. It was sad not being able to take part. It is sad that the press was not in attendance. The City will continue to do good things.

Vice President Lawson thanked everyone for attending the meeting. She got to hang up banners on Saturday. The City works well together. There was a lot of support throughout the City. Cool to see the residents out for the event. Kaboom event will take place on October 7, 2016. Come on out and help build the park. The City needs to start their own newsletter and show that there is so much for the City to offer.

President Lavender-Norris thanked everyone for attending the meeting. She thanked everyone for their efforts, and thanked Ms. Mowday for her assistance with the event.

Adjournment

Mr. Simpson made a motion to adjourn the meeting at 9:05 pm; Mrs. Green seconded the motion. Motion passed 7-0.