

STATED MEETING - CITY COUNCIL – MARCH 8, 2016

A meeting of the Lancaster City Council was held on Tuesday, March 8, 2016 in Council Chambers, 120 North Duke Street, (Rear Annex) Lancaster, PA, at 7:30 p.m., with President Graupera presiding.

The Council led the assembly in the Pledge of Allegiance.

Present - Mr. Reichenbach, Mr. Roschel, Ms. Sorace, Mr. Soto, Ms. Williams and President Graupera – 6

Excused – Ms. Wilson -1

The minutes of the meeting of Council for February 23, 2016 were approved by a roll-call vote. Ms. Sorace abstained.

REPORTS OF COUNCIL COMMITTEES

PUBLIC SAFETY COMMITTEE – Ms. Williams said her committee met Monday, March 7 and discussed Resolution No. 11-2016, which expresses opposition to the elimination of Magisterial District 2-01.

PUBLIC WORKS COMMITTEE – Mr. Roschel reported that his committee met on March 7 and reviewed Resolutions No. 10-2016 and No. 15-2016, which are on this evening's agenda.

ECONOMIC DEVELOPMENT & NEIGHBORHOOD REVITALIZATION – Mr. Reichenbach said his committee met March 7 and discussed two items. Resolution No. 16-2016 would waive health license inspection fees for churches participating in the Lancaster County Council of Churches Food Program. It is on the agenda later in the meeting.

Administration Bill No. 3-2016, which would amend the City's business registration ordinance, will come before Council for a first reading at the next meeting, March 22, 2016. Responding to comments from business owners, City officials are proposing the elimination of the annual business registration fee. A one-time \$35 fee will be charged to new businesses and those changing location or ownership. Business will be allowed to submit a single form, rather than a form for each location. And Social Security numbers will now only be required for businesses within the CRIZ district. Social Security numbers for corporate officers will be requested but not required. Annually, the City will send a notice to registered businesses, asking them to confirm the information on file.

Mr. Reichenbach commended the administration for the proposed changes, noting that they are being made in direct response to requests of business owners.

FINANCE COMMITTEE – Ms. Sorace reported that her committee also met March 7 and discussed three items: Resolutions No. 12-2016, No. 13-2016, and No. 14-2016, which are on this evening's agenda.

COMMUNITY DEVELOPMENT & PLANNING COMMITTEE – Mr. Soto said his committee met on March 7 to discuss a satellite dish regulation ordinance proposal. No action will be taken on that proposal.

PERSONNEL COMMITTEE – Ms. Williams, reporting on behalf of the absent Ms. Wilson, said the committee on March 7 heard from David Cruz Jr., who is nominated to serve on the Lancaster City Housing Authority. Mr. Cruz’ term would be from February 9, 2016 to November 21, 2017.

Ms. Williams made a motion to approve the nomination. Mr. Reichenbach seconded the nomination. Council approved Mr. Cruz appointment by a unanimous roll-call vote.

LEGISLATIVE AGENDA

City Council considered the following application and recommendation from the Historical Architectural Review Board for improvement to a property within the Historic District:

1. Robert Gepert & Anne Labat-Gepert, owners of 420 West Chestnut Street, requests installation of 23 solar panels on the west-facing slope of a rear roof on a residential building. (Recommended for conditional approval by the Historical Architectural Review Board.)

Mr. Reichenbach moved to accept the recommendation. Mr. Soto seconded the motion.

Mr. Reichenbach commented that he had learned the condition of the conditional recommendation was a call for the owners to seek an engineering review of the roof to ensure it can bear the weight of the solar panels.

City Council voted to approve the recommendation by a unanimous roll-call vote.

ORDINANCES FOR FINAL PASSAGE

Council Bill No. 2-2016, (the title) was read by the City Clerk as follows:

An ordinance authorizing the incurrence of non-electoral debt of the City of Lancaster, Lancaster County, Pennsylvania, by the issuance of \$118,820,000 principal amount of General Obligation Bonds, Series of 2016; issued for the purpose of providing funds for the advance refunding of a portion of the City of Lancaster General Obligation Bonds, Series of 2007 and paying the costs of issuing and insuring the bonds; determining to sell the Series of 2016 bonds (the “2016 bonds”) at a private sale by invitation; approving the form of the series of 2016 bonds; fixing the number, date, interest and maturities of the 2016 bonds; making a covenant for the payment of the debt service on the 2016 bonds; pledging the full faith, credit and taxing power of this city in support of such bonds; providing for the filing of required documents; providing for the appointment of a sinking fund depository for the 2016 bonds; and authorizing execution, sale and delivery thereof, and other necessary action.

Mr. Reichenbach made a motion to approve the ordinance. Ms. Sorace seconded the motion.

Patrick Hopkins, City Administrative Services director, noted that the bill authorizes the refinancing of a 2007 bond issue. That \$125,000,000 bond issue was largely used to pay for reconstruction of the City's water plants on the Susquehanna and Conestoga rivers and installation of membrane micro-filtration systems at those plants.

Last month, Mr. Hopkins said the decision was made to hasten the refinancing timeline to take advantage of low-interest rates. An on-line bond auction on Tuesday afternoon confirmed the wisdom of that move. The lowest of seven bidders was a syndicate led by Morgan Stanley, of New York City, which submitted an interest rate of 3.497441 percent. That results in a net savings of \$9,108,892.67, or 7.85 percent of the refunded principal amount.

When the refinancing was proposed to the Finance Committee two weeks ago, Council members were told to expect savings of \$6.6 million-\$6.7 million.

Daryl Peck, of Concord Public Finance, commended the Council and the administration for moving expeditiously to take advantage of the dip in interest rates. He said the closing will occur on the bonds in early April.

Rhonda Lord, bond counsel, of the law firm of Kegel Kelin Almy & Lord LLP, said there will be one additional legal advertisement this week before the submission of necessary documents to the state Department of Community & Economic Development. With approval by DCED, the closing on the bonds will be held on or before April 7.

Ms. Sorace moved to amend the original bill, first read February 23. Her amendment replaced blank spaces in the original with the following additions:

- In the third line of the caption, deleting "\$____" and replacing it with "\$118,820,000."
- In the fifth whereas clause, deleting the first "\$____" and replacing it with "\$1,025,000" and deleting the second reference to "\$____" and replacing it with "\$1,960,000."
- In the sixth whereas clause, deleting the first "\$____" and replacing it with "\$7,913,462.50," and deleting the second "\$____" and replacing it with "\$123,913,462.50."
- In the seventh whereas clause, deleting the first reference to "\$____" and replacing it with "\$123,080,462.50" and deleting the second "\$____" and replacing it with "\$2,646,362.50" and deleting the third "\$____" and replacing it with "\$120,434,100."
- In the eighth whereas clause, deleting the first reference to "\$____" and replacing it with "\$2,493,272.75" and deleting the second "\$____" and replacing it with "\$125,573,735.25."
- In the ninth whereas clause, deleting "\$____" and replacing it with "\$118,820,000."
- Inserting into the tenth whereas clause, the name "Morgan Stanley & Co. LLC" as the purchaser.

- In Section 1 of the ordinance, deleting the amount of “\$_____” and replacing it with “\$118,820,000” as the amount of indebtedness authorized by the ordinance.
- In Section 3 of the ordinance, deleting the amount of “\$_____” and replacing it with “\$118,820,000” as the aggregate principal amount of General Obligation Bonds, Series of 2016, authorized by the ordinance.
- In Section 10 of the ordinance, inserting the optional redemption provisions of the bonds as the bonds which are stated to mature on or after November 1, 2026 are subject to redemption prior to maturity at the option of the City in whole or in part on May 1, 2026 or any date thereafter.
- In Section 10 of the ordinance, inserting the amount and payment amounts of the term bonds set forth in the amortization schedule for the 2015 bonds attached as Exhibit B.
- In Section 11 of the ordinance, inserting the name “Morgan Stanley & Co. LLC ” as purchaser.
- In Section 25 of the ordinance, inserting the date “February 26, 2016” as the date of the Preliminary Official Statement.
- On Exhibit B, attaching the amortization schedule as provided by the purchaser.
- A copy of the proposal of the purchaser has been attached to the ordinance as Exhibit C.

Mr. Reichenbach seconded the motion to amend the ordinance.

Council approved the amendment by a unanimous roll-call vote.

Mr. Reichenbach praised the administration for quick action in bringing the refinancing initiative forward. While the timing was important in the savings, it was also important that administration officials were prepared to act.

Ms. Sorace noted that the County reassessment has been postponed at the same time the City is facing a pension deficit for 2017. Savings from this refinancing will help the City overcome those financial hurdles next year.

City Council approved Administration Bill No. 2-2016 by a unanimous roll-call vote.

RESOLUTIONS

Administration Resolution No. 10-2016, (the title) was read by the City Clerk as follows:

A resolution of the Council of the City of Lancaster approving the adoption of an amendment to the Act 537 Official Sewage Facilities Plan for the City of Lancaster.

Mr. Roschel made a motion to approve the resolution. Mr. Reichenbach seconded the motion.

Mr. Roschel said the Kappa Sigma Fraternity of Franklin & Marshall College is relocating to 441 College Avenue. The new fraternity house will add to sewage being sent to the City's North Pumping Station. Because that pumping station is at capacity, whenever there is additional development which generates sewage for the pumping station, the state Department of Environmental Protection requires that the City's official sewage plan be amended to reflect the change.

City Council approved Administration Resolution No. 10-2016 by a unanimous roll-call vote.

Council Resolution No. 11-2016, (the title) was read by the City Clerk as follows:

A resolution of the Council of the City of Lancaster opposing a proposal to eliminate Magisterial District 2-01, thereby weakening the self-determination rights of residents of the southeast area of Lancaster City.

Mr. Reichenbach made a motion to approve the resolution. Ms. Sorace seconded the motion.

Ms. Williams said the resolution is being brought in response to a proposal to eliminate Magisterial District 2-01, which is located in the Third and Seventh wards of the City of Lancaster. The proposal removes the right of residents in those wards to elect a District Judge from their area. Areas now within District 2-01 would shift to adjacent districts, thereby pitting residents of one part of the City against those in another. We feel that each quadrant of the City is unique and should be served by its own Magisterial District.

Ms. Williams noted that Council Resolution No. 11-2016 was reviewed by the Council Public Safety Committee on March 7 and the committee approved bringing it to full Council for action.

Mr. Reichenbach stated that he attended the NAACP's community meeting at San Juan Batista the previous evening, which was held to discuss this issue. He noted there were mixed messages being sent by President Judge Reinaker about the proposal. The reality is that everyone in the room stood in opposition to the current proposal. If the proposal is altered, Council will revisit the issue. But, for now, this resolution addresses the current proposal.

Mr. Reichenbach said it is crystal clear where Council stands on the proposal. Removing the Magisterial District weakens self-determination for residents of the area. He stated it is a social justice issue. And, it was a blessing to see solidarity of people of different races, ethnicities, backgrounds and religions in attendance at the meeting and all speaking in solidarity in opposition to this plan.

Mr. Soto said every citizens in this country has the right to elect the people who represent them. It is in the Constitution; it's in the Bill of Rights. For that opportunity to be removed from an individual citizen of this country, a citizen of this City, it's appalling.

President Graupera thanked Ms. Williams for bringing forth the resolution. Ms. Williams' nearly 27 years serving as judge of that Magisterial District provide her with the experience and depth of knowledge about that district unmatched by anyone else. That depth of knowledge is shown in the resolution.

Further, President Graupera and Ms. Williams thanked members of the Self-Determination Committee who were in the audience and who have led the effort to oppose the redistricting proposal.

Pastor Kevin Brown, of Kingdom Life International and the Ecclesial Center of Lancaster, thanked Council members who attended the community meeting the previous evening. He said he could not remember a time when he saw such Council support for residents of the southeast area. Advocating for self-determination of the marginalized, the disenfranchised and the people most in need is always right and is always the right cause. Therefore, he said, it is right to resolve to adopt this resolution.

City Council approved Council Resolution No. 11-2016 by a unanimous roll-call vote.

Administration Resolution No. 12-2016, (the title) was read by the City Clerk as follows:

A resolution of the City Council of the City of Lancaster, Lancaster County, Pennsylvania authorizing the sale and lease-purchase of 848 South Queen Street, Lancaster, Pennsylvania.

Ms. Sorace made a motion to approve the resolution. Mr. Soto seconded the motion.

Ms. Sorace said the resolution authorizes the sale of the City-owned animal shelter to the Redevelopment Authority of the City of Lancaster. The Redevelopment Authority will then complete the lease/purchase agreement for the property with the Lancaster SPCA. Doing so completes the transfer, the terms of which were negotiated last year.

City Council approved Administration Resolution No. 12-2016 by a unanimous roll-call vote.

Administration Resolution No. 13-2016, (the title) was read by the City Clerk as follows:

A resolution of the City Council of the City of Lancaster, Lancaster County, Pennsylvania authorizing the termination of an interest rate swap previously executed with respect to its General Obligation Bonds, Series of 1998A; authorizing the proper officers of the City to execute and deliver any necessary documents and authorizing the taking of other necessary action in connection with the foregoing.

Ms. Sorace made a motion to approve the resolution. Mr. Reichenbach seconded the motion.

Ms. Sorace said this action is being prompted by the bond refinancing which was approved. The savings for this year to the City's General Fund will allow paying the termination fee for the 2004 variable interest swap agreement. She said the City administration and Council moved quickly on this measure to take advantage of a low point in the volatile termination fee amount.

Mr. Hopkins noted that when the swap termination was proposed to Council members two weeks ago, the termination fee was nearly \$155,000. That amount climbed to \$275,000 on Monday prior to the Finance Committee discussion of the payoff. As of today, the termination fee was about \$255,000.

Termination will eliminate all variable interest debt now held by the City. The swap agreement was structured to continue until 2028.

Mr. Reichenbach noted the financial risk to the City posed by continuing the swap agreement and praised the administration for eliminating that risk and being good stewards of the City's finances.

City Council approved Administration Resolution No. 13-2016 by a unanimous roll-call vote.

Administration Resolution No. 14-2016, (the title) was read by the City Clerk as follows:

A resolution of the Council of the City of Lancaster exonerating 2016 water charges in the amount of \$39,286.05 and sewer charges in the amount of \$29,299.01 for City-owned or related properties at 28 locations.

Ms. Sorace made a motion to approve the resolution. Mr. Reichenbach seconded the motion.

Ms. Sorace stated this resolution is done annually for City-owned properties. The Lancaster Public Library is not owned by the City, however, exoneration of charges for the library is considered a local in-kind contribution and helps the library secure state funds.

City Council approved Administration Resolution No. 14-2016 by a unanimous roll-call vote.

Administration Resolution No. 15-2016, (the title) was read by the City Clerk as follows:

A resolution of the Council of the City of Lancaster authorizing the mayor to sign the standard pipe license agreement between Norfolk Southern Railway Company and remit payment of five thousand and 00/100 dollars for fees required in the license agreement on behalf of the City of Lancaster.

Mr. Roschel made a motion to approve the resolution. Mr. Soto seconded the motion.

Mr. Roschel stated that two-thirds of the City is supplied with water from a single pipe coming from the Susquehanna Water plant near Columbia. If anything were to happen to that water line, the City would be in trouble, he said. So, the City plans to construct a redundant water line, which is now in the design stage. This resolution authorizes the execution of an easement agreement that will allow the secondary water line to pass beneath a freight railway.

City Council approved Administration Resolution No. 15-2016 by a unanimous roll-call vote.

Administration Resolution No. 16-2016, (the title) was read by the City Clerk as follows:

A resolution of the City Council of the City of Lancaster, Lancaster County, Pennsylvania waiving initial health license inspection fees for City churches participating in the Lancaster County Council of Churches Food Program and providing community meals.

Mr. Reichenbach made a motion to approve the resolution. Mr. Roschel seconded the motion.

Mr. Reichenbach explained the Lancaster Council of Churches Food Program receives federal funds which are administered by the state. The state now requires that recipients of those funds which are serving community meals to have health licenses. The City charges a \$30 annual license fee for health licenses and a \$100 inspection fee. This resolution waives the inspection fee in acknowledgement of the community good being provided by the churches.

Pastor Kevin Brown said that the Mayor's Poverty Commission has confirmed that there is a poverty problem in the City, with people going hungry. His church, the Ecclesial Center of Lancaster, has joined in partnership with other churches to feed those people one evening every week. Waiving the health license fee will encourage more churches to get involved in feeding the hungry.

PUBLIC COMMENT

Ben Vonderheid, of DaddyJustice.com, said he is a filmmaker and a father's rights and victim's rights advocate, and he advocates for those who have been falsely accused. He said he has been filming in Lancaster for 10 years, during which time he has been arrested and convicted at least twice based on perjured testimony of Lancaster City police sergeants. He claimed the police chief was incorrect when he said that only 4 percent of complaints filed are legitimate and 96 percent of the times, his officers do not lie. He claimed there is a culture of corruption which allows officer to assault innocent people, then to perjure themselves on the witness stand claiming that the beating was justified.

Mr. Vonderheid called for an investigation of all of Sgt. Ray Corrl's cases in the past 15 years. Sgt. Corrl is a violent bully with a badge who should not have been promoted. Instead, he has been teaching new officers that such conduct is acceptable. He noted that no officer reported

Corrll for his conduct. It was video footage that brought him under investigation. He asked Council members to investigate cases in which perjured testimony has put people in jail. And he asked that they change the culture within the City police that allows brutality and perjury to occur.

Jim Morrissey, 39 Washington Street, said he believes the Lancaster Parking Authority is reconsidering parking garage plans for East Mifflin Street, including possibly purchasing a surface parking lot behind Trinity Lutheran Church. He understood those plans were dead after Council upheld the Historical Architectural Review Board recommendation to deny a Certificate of Appropriateness for the project last month.

He asked for a copy of the letter written to Lancaster Parking Authority Executive Director Larry Cohen following the Council vote of denial. Further, he asked for an explanation from Mr. Roschel regarding his vote to allow construction of the garage.

Mr. Roschel responded that he wanted an exploration of all options related to the garage. His vote that evening was one to halt the process until options could be examined. Mr. Roschel also offered to speak to Mr. Morrissey following the meeting to discuss this reasoning in detail.

COUNCIL COMMENTS

Ms. Sorace noted that there is a letter before them seeking contributions to purchase and plant trees in honor of the late Council President Nelson Polite. She further noted there is also an opportunity to contribute to a scholarship fund in his name. Further, she noted that Mr. Polite's funeral on Saturday at Bright Side Baptist Church was a moving tribute to a man who had done so much for the City.

President Graupera directed the City Clerk to place on the agenda for the April 4 committee meeting a discussion of Council contribution in honor of Mr. Polite.

President Graupera adjourned the meeting at 8:35 p.m.

John E. Graupera, President

Attest:

Bernard W. Harris Jr., City Clerk