
Ashland City Council

MINUTES FOR THE REGULAR SESSION OF COUNCIL

Tuesday, March 19, 2013 at 7:00 p.m.

Council Chambers

Council President Stephen Stuart called the meeting to order at 7:00 p.m.

ROLL CALL

Council-at-Large & President:	Stephen L. Stuart	Present
Ward 1:	Duane R. Fishpaw	Present
Ward 2:	Robert M. Valentine	Present
Ward 3:	Ruth Detrow	Present
Ward 4:	Sandra Tunnell	Present

PLEDGE OF ALLEGIANCE

PRESENTATION OF MINUTES

Moved by Mr. Fishpaw and seconded by Mrs. Tunnell that the minutes for the **Special Session** of City Council held Friday, March 1, 2013 be accepted as written.

Ayes: Mr. Fishpaw, Mr. Valentine, Mrs. Detrow, Mrs. Tunnell, Mr. Stuart

Moved by Mr. Valentine and seconded by Mrs. Tunnell that the minutes for the **Regular Session** of City Council held Tuesday, March 5, 2013 be accepted as written.

Ayes: Mr. Valentine, Mrs. Detrow, Mrs. Tunnell, Mr. Stuart, Mr. Fishpaw

LEGISLATION

Ordinance Number 8-13

Item a):

ORDINANCE AUTHORIZING AND DIRECTING THE MAYOR TO FILE A GRANT APPLICATION AND ENTER INTO A CONTRACT WITH THE OHIO REGIONAL DEVELOPMENT CORPORATION FOR THE OHIO DEPARTMENT OF DEVELOPMENT COMMUNITY HOUSING IMPROVEMENT PROGRAM (CHIP); AND DECLARING AN EMERGENCY

Moved by Mrs Tunnell and seconded by Mr. Valentine to invoke Section 113.01 of the Codified Ordinances as the distribution of this Ordinance has satisfied the requirements of said Section and that a further reading be dispensed with at this time.

Ayes: Mrs. Detrow, Mrs. Tunnell, Mr. Stuart, Mr. Fishpaw, Mr. Valentine

Mr. Kremser stated this is another segment of the CDBG funds that is distributed by HUD. The goal of the CHIP program is to provide funding for a flexible community-wide approach to the improvement and provision of affordable housing for the low and moderate income persons and to help develop local administrative capacity. The ceiling on the award of grant funds is \$400,000 for

counties or cities. The eligible activities is for: primary housing activities such as private owner rehabilitation, rental rehabilitation, home ownership, forming a down payment, assistance rehabilitation, acquisition resale, home repair, new housing construction, homelessness prevention, and tenant-based rental assistance. 12 percent of the \$400,000 can be used for administrative costs; therefore, Ohio Regional Development Corporation (ORDC) will be the administrators of the project, as has been done in the past.

Mr. Stuart asked if specific projects have been identified.

Mr. Kremser stated there are priority areas based on LMI designated sections and where money has been spent in the past. Once this ordinance is approved, residents and property owners can apply for the grant money for eligible activities.

Moved by Mrs. Detrow seconded by Mr. Valentine that the Ordinance be passed on the first reading.

Ayes: Mrs. Tunnell, Mr. Stuart, Mr. Fishpaw, Mr. Valentine, Mrs. Detrow

Moved by Mr. Stuart and seconded by Mrs. Detrow that rules requiring the reading on three separate days be suspended and that the ordinance be passed on the second and third readings.

Ayes: Mr. Stuart, Mr. Fishpaw, Mr. Valentine, Mrs. Detrow, Mrs. Tunnell

Moved by Mr. Fishpaw and seconded by Mrs. Tunnell that the Ordinance be passed

Ayes: Mr. Fishpaw, Mr. Valentine, Mrs. Detrow, Mrs. Tunnell, Mr. Stuart

Ordinance Tabled

Item b) AN ORDINANCE AUTHORIZING AND DIRECTING THE MAYOR TO ENTER INTO AN AGREEMENT TO PROVIDE THE ASHLAND COUNTY COMMISSIONERS WITH OHIO BUREAU OF WORKERS' COMPENSATION SERVICES AS OUTLINED; AND DECLARING AN EMERGENCY.

Moved by Mr. Stuart and seconded by Mrs. Tunnell that the ordinance be vacated.

Ayes: Mr. Valentine, Mrs. Detrow, Mrs. Tunnell, Mr. Stuart, Mr. Fishpaw

Ordinance Number 9-13

Item c):

AN ORDINANCE TO MAKE APPROPRIATIONS FOR CURRENT EXPENSES AND OTHER EXPENDITURES OF THE CITY OF ASHLAND, OHIO, DURING THE FISCAL YEAR ENDING DECEMBER 31, 2013; AND DECLARING AN EMERGENCY.

Moved by Mr. Valentine and seconded by Mrs. Detrow to invoke Section 113.01 of the Codified Ordinances as the distribution of this Ordinance has satisfied the requirements of said Section and that a further reading be dispensed with at this time.

Ayes: Mr. Fishpaw, Mr. Valentine, Mrs. Detrow, Mrs. Tunnell, Mr. Stuart

Mr. Paxton thanked everyone for the cards and kindnesses he received during his recent hospital visit.

Mr. Paxton addressed the beginning appropriations packet for 2013. A supplemental ordinance approved at the end of 2012 was used to handle the first six months of expenditures.

The ordinance before Council completes the full year, 2013. The revenues are based on historical factors or off anticipated revenues and information received through the budget-planning process.

He stated this is a tight budget for 2013. The income tax has been adjusted to a more reasonable estimate. It has been underestimated in the past to provide cushion throughout the year. Last year \$8.2 million was received. The estimate for 2013 is \$8.1 million, which Mr. Paxton stated is a more accurate number for this year for the income tax that filters to the General Fund, Parks, and Street Divisions. General Fund, Parks and Street are the same as they were in 2012.

The goal is always to meet the appropriations using the actual expenditures for 2012 and have some carryover. It does not leave extra finances. The cash carryover is minimal. It provides opportunities to add funds to the budget.

Mr. Paxton asked Council to pass the appropriations this evening as it must be passed before April. It is not complete, but will be revised all year long to be in a better position than we are today. The Capital Improvements fund has one expenditure in it because that fund will be used as an emergency fund.

Mr. Fishpaw asked if this includes the contractual obligations for pay raises. Mr. Paxton stated this budget does not propose any increases, new or contracted or step increases.

Mr. Fishpaw asked where the money would be gotten for the extra expenditures in the appropriations needed for pay raises.

Mr. Paxton explained the appropriations are estimated low; for instance, if the income tax comes in over \$8.1 million that will provide cash flow. Conserving resources will help. There are expenditures that need to be watched daily; all that can be spent is the money in that line item, including the supplemental passed at the end of the year.

Mr. Stuart noted the appropriations reflect an anticipated unencumbered balance at the end of 2013 of \$26,362 of a total of \$10.7 million appropriations. December 31, 2012 we had \$945,677 of unencumbered balance. Mr. Stuart stated there were no salary increases in 2012. He noted there are increases for the cost of fuel, gasoline, diesel, and natural gas. In 2013, \$233,000 less is being appropriated than what was spent in 2011.

Sewer system improvement, water line replacement, water distribution, storm water, sewer fund, sanitation funds have appropriations including engineering, construction, equipment. The expectation is that those projects will go through the process of Council approval before those funds are spent.

Mr. Stuart stated the last thing they want to do is lay people off. Personnel versus Non-personnel indicates that it would be difficult to maintain the same level of personnel if there are required salary increases.

Mr. Fishpaw asked Mr. Paxton where the biggest loss of revenue is from the \$900,000 that was available at the end of 2012 to what is anticipated to happen in 2013.

Mr. Valentine stated the estate tax is gone in the amount of \$750,000.

Mr. Paxton stated that the estate tax is a big part of it. It has been \$250,000 to \$750,000 that the City has received from that tax. Mr. Paxton stated that through the municipalities that have been served, budgets are balanced through the estate tax. The State collected that tax through the end of last year and the City will receive some of that tax collection from that. There is an estate tax due by the City of \$35,000 because the estate was in litigation. He stated there is not one loss from any one area, but the costs of operation in the past has allowed for the budget to be underestimated, allowing money to be carried over. There is not that ability this year.

Mr. Stuart stated the financial situation is not a spending problem, but it is an income

problem for the City of Ashland.

Mr. Paxton stated the City of Ashland is not alone, and another municipality is considering an income tax on the ballot. A lot of jurisdictions are going through this; other businesses in our area are reducing staff and freezing wages.

Mr. Fishpaw asked about the year-end appropriations of 2012 that were re-appropriated to 2013. He asked if that money that was appropriated at the beginning of 2012 was more than the money that was appropriated at the beginning of 2013 because of those re-appropriations.

Mr. Paxton stated at the beginning of 2013 the budget was only six months worth of expenditures, and those expenditures were based on the re-appropriated funds.

Mr. Fishpaw noted that the line items for each division that were re-appropriated do not reflect what the Department Heads had requested. When the Mayor had asked for budget items for 2012 and those monies were re-appropriated at the end of 2012, is it correct that those amounts were not considered for the 2013 appropriations.

Mr. Paxton stated he had had a discussion that morning with some of the division directors; he explained the proposals were submitted by them, and the budget does not reflect their requests. Mr. Paxton stated there were many discussions between Mr. Stuart, Mayor Stewart and Mr. Paxton about the revenue levels, and it was decided to use the year-end 2012 appropriations with some minor adjustments.

Mr. Stuart explained the requests for “legitimate needs” by the directors were \$1 million more than the anticipated revenue. They had to make a decision about the budget given the inability to meet the requests.

Moved by Mrs. Tunnell seconded by Mr. Valentine that the Ordinance be passed on the first reading.

Ayes: Mr. Valentine, Mrs. Detrow, Mrs. Tunnell, Mr. Stuart, Mr. Fishpaw,

Moved by Mr. Stuart and seconded by Mrs. Tunnell that rules requiring the reading on three separate days be suspended and that the ordinance be passed on the second and third readings.

Ayes: Mrs. Detrow, Mrs. Tunnell, Mr. Stuart, Mr. Fishpaw, Mr. Valentine

Moved by Mrs. Detrow and seconded by Mr. Valentine that the Ordinance be passed.

Ayes: Mrs. Tunnell, Mr. Stuart, Mr. Fishpaw, Mr. Valentine, Mrs. Detrow

7:10 p.m. – **1st Public Hearing for CDBG began at 7:27 p.m.**

Mr. Kremser stated this hearing is for CDBG formula program for fiscal year 2013.

Mr. Kremser explained that there are standards for eligible activities and program requirements; the public hearing provides for public input. The program helps with the needs of the low-to-moderate income population. The CDBG program is sponsored by HUD and has been in operation since 1974.

Eligible activities are: Acquisition of property for public purposes, construction or reconstruction of streets, water, and sewer facilities and other public works, demolition for slum and blight, public services, and assistance to non-profit entities for community development activities or services that provide aid to low-to-moderate income individuals.

Previous activities in Ashland are: Ashland Avenue resurfacing project, Safe Haven Domestic Violence Center roof replacement project, Orange Street and Delafield Avenue

resurfacing projects, Regional Dispatch Center Feasibility Study, Council on Aging building rehabilitation project, Ashland Avenue storm sewer project, Ray Avenue and Marlo Avenue storm sewer replacement project, Associated Charities building renovations.

The program requires \$75,000 be designated for each City for a maximum of three projects that can be applied for.

Individuals interested in funds should submit a letter to the City Engineering Division to apply for consideration for qualified CDBG activity. Deadline for project consideration is April 16th by 4 p.m.

The proposed projects will be presented to City Council to choose. Once the projects have been determined, there will be another public hearing held to announce the selected projects.

The deadline for the City to submit application to the CDBG is June 21st, 2013. Construction of any approved projects must be completed by December 31st, 2014.

The request was made for general comments from the floor regarding the CDBG application process.

Mrs. Detrow confirmed that the money has to go to something that is physically within the accepted areas.

Mr. Kremser stated that is correct. The US Government, via HUD, has guidelines for qualifying projects and makes the decisions as to how to distribute the funding. Other programs are Downtown Revitalization and Neighborhood Revitalization. The objective of serving low-to-moderate individuals is required.

There were no further comments.

The Public Hearing was concluded at 7:35 p.m.

Resolution Number 5-13

Item a)

RESOLUTION AUTHORIZING FILING OF A FOUR-YEAR CAPITAL AND OPERATING PLAN WITH THE OHIO DEPARTMENT OF TRANSPORTATION COVERING THE PERIOD JANUARY 1, 2014 THROUGH DECEMBER 31, 2017; AND DECLARING AN EMERGENCY.

Moved by Mrs. Tunnell and seconded by Mr. Valentine to invoke Section 113.01 of the Codified Ordinances as the distribution of this Resolution has satisfied the requirements of said Section and that a further reading be dispensed with at this time.

Ayes: Mr. Stuart, Mr. Fishpaw, Mr. Valentine, Mrs. Detrow, Mrs. Tunnell

Mr. Kremser stated this is our four-year capital plan for Public Transit administered through the City and funded through ODOT primarily. The State has suggested that secured space be provided for transit vehicles either enclosed or fenced. Options are being reviewed for a space, and it was necessary to get it into the capital plan.

Mr. Stuart asked what percentage of funding would be provided. Mr. Kremser stated it is typically 80 percent with a 20 percent match. Since Public Transit primarily serves elderly and handicapped, the 20 percent match can be funded through a grant serving low-to-moderate income population.

Moved by Mr. Valentine seconded by Mrs. Detrow that the Resolution be passed on the first reading.

Ayes: Mr. Fishpaw, Mr. Valentine, Mrs. Detrow, Mrs. Tunnell, Mr. Stuart
Moved by Mr. Stuart and seconded by Mrs. Tunnell that rules requiring the reading on three separate days be suspended and that the ordinance be passed on the second and third readings.
Ayes: Mr. Valentine, Mrs. Detrow, Mrs. Tunnell, Mr. Stuart, Mr. Fishpaw
Moved by Mr. Valentine and seconded by Mrs. Tunnell that the Resolution be passed.
Ayes: Mrs. Detrow, Mrs. Tunnell, Mr. Stuart, Mr. Fishpaw, Mr. Valentine

OLD BUSINESS: None

NEW BUSINESS: None

COUNCIL COMMENTS:

Mrs. Tunnell received a call from a resident on Scott Street thanking the City for the work done on the waterline in front of her house. Mrs. Tunnell thanked Mr. Kremser and Mr. Mack.

FINANCE DIRECTOR'S COMMENTS:

Mr. Paxton had no additional comments.

MAYOR'S COMMENTS: The Mayor was not present at the meeting.

COMMENTS FROM THE AUDIENCE:

Mr. Dave Yanchunas, a resident at the Oakbrook condos, handed out information regarding the street level intersection at Route 42 and 250. He felt the calculations were inaccurately designated in the grading of each plan. It was his opinion that ODOT was “pushing” that design to go forward. He felt they “fudged” on the grading of the intersection to get what they wanted to do.

He pointed out the plans for #7 and #8, and felt they have lower delay times for traffic and are the better choices. Mr. Yanchunas stated bridge coming out is a bad idea.

Mr. Valentine stated he did not think anything was “fudged”. There was an extensive three-year long study with engineering firms that created 17 plans that were narrowed down to 8 plans.

Mr. Yanchunas noted that ODOT did not do the study; it was done by a private firm. He stated it looked fishy by looking at the letters and the final grade of each intersection plan.

Mr. Kremser clarified how it had been calculated.

ADJOURNMENT: 7:45 p.m.

Moved by Mrs. Tunnell and seconded by Mr. Valentine to adjourn.

Ayes: Mrs. Tunnell, Mr. Stuart, Mr. Valentine, Mr. Fishpaw, Mrs. Detrow

Respectfully Submitted by
Kimberly S. Calhoon, Clerk of Council