
Ashland City Council

MINUTES FOR THE REGULAR SESSION OF COUNCIL Tuesday, July 2, 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 Mrs. Detrow and seconded by Mrs. Tunnell that the minutes of the **Regular Session** of City Council held Tuesday, June 18, 2013 be accepted as corrected.

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

LEGISLATION

Ord Number 36-13

Item a):

a) AN ORDINANCE AUTHORIZING AND DIRECTING THE MAYOR TO ENTER INTO A RENEWAL AGREEMENT WITH THE COUNTY OF ASHLAND, OHIO, FOR THE PROVISION OF THE 911 EMERGENCY SYSTEM AND COMBINED, CENTRAL DISPATCHING SYSTEM; AND DECLARING AN EMERGENCY.

Moved by Mrs. Detrow 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: Mr. Valentine, Mrs. Detrow, Mrs. Tunnell, Dr. Stuart, Mr. Fishpaw

Mayor Stewart stated this is a request for a continuation of the 2012 ordinance. He stated there are no changes in the agreement. He indicated there was no agreement in the packets, but Council had received a copy prior to the meeting. It is not a signed agreement for 2013. The agreement will be updated for 2013. The agreement goes through 2013.

Dr. Stuart asked what the dollar amount is for 2013.

Mr. Kremser stated the amount is \$411,000 (\$475,000 was the amount in 2012).

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

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

Moved by Dr. Stuart and seconded by Mr. Fishpaw 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. Tunnell, Dr. Stuart, Mr. Fishpaw, Mr. Valentine, Mrs. Detrow

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

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

Ord Number 37-13

Item b):

b) AN ORDINANCE CREATING ADDITIONAL APPROPRIATIONS, MAKING TRANSFERS WITHIN A FUND AND MAKING TRANSFERS FROM ONE FUND TO ANOTHER; 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: Mr. Valentine, Mrs. Detrow, Mrs. Tunnell, Dr. Stuart, Mr. Fishpaw

Mr. Paxton offered an amendment to the Ordinance attachment. He added the last three lines on the Additional Appropriations Exhibit for a storm water extension (602-7209-58048). The Engineering Department will be receiving some of those funds for a catch basin replacement and culvert replacement. Mr. Paxton stated there are quite a few catch basins that Engineering would like to repair.

Dr. Stuart stated the transfer of funds from Council's line item 101-2101-53017 came from Materials and Special Services. The funds were moved to 101-2101-53030, Computer Expense.

Dr. Stuart asked about the Park Fund Department wages transfer, Director Wages to Department Wages.

Mr. Paxton stated the Arborist Department was transferred from the Parks Department and was reassigned to the Service Department. During the transition, there were Wages and Life Insurance expenses that were not caught up; the money had been transferred out to other areas within the Park Fund. By making those transfers, line items 212-2005-51007 and 52004 were short. Mr. Paxton stated he is trying to cover the negative lines in the appropriations. The shortage was caused by the transition of the Arborist from one department to another.

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

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

Moved by Mr. Stuart and seconded by Mr. Fishpaw 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. Tunnell, Dr. Stuart, Mr. Fishpaw, Mr. Valentine, Mrs. Detrow

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

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

7:11 p.m. Public Hearing #1 for 2014 Tax Budget

Mr. Paxton disseminated the tax budget paperwork. This budget is to be filed with the Ashland County Auditor's office. The costs are then applied to the tax levies to begin the 2014

appropriation process. The top 158 lines (three pages) are the numbers calculated from the last 4000 line items of the budget on the paperwork. Mr. Paxton has used the revenues collected in 2013 as an estimate that were thought to be collected as an estimated revenue in 2014. The \$8.1 million income tax collection is less the cost for the collection of the income tax of \$600,000.

Mr. Paxton pointed out in the General Fund the areas that are impacting our budget the most. One is the local government funds that the State and County share with the City. Those funds continue to decline because the State Legislature has eliminated the estate tax. That amount is \$250,000 taken out of the City revenue.

Mr. Paxton mentioned House Bill 5 which is being considered by the State legislature which is a standardization of income tax collection in Ohio. What is being debated is what is called a "Loss Carried Forward." If the Loss Carried Forward gets passed in this bill, the City could lose \$250,000.

There is a transfer line in the miscellaneous for the Pool, the Golf Course and the Transit which has created a \$500,000 deficit. Mr. Paxton stated there is a lot of work to do as we start on the 2014 appropriations. He stated this is a work paper, and it will be refined until it is ultimately adopted by Council.

In addition, Mr. Paxton pointed out the fact that contracts have been adopted for labor. Employees received a 4 percent increase. He explained line item 101-2501-51011 where it shows a 10.66 percent increase. In actuality, due to pension buy-backs, the increase is 4 percent, in line with many of the other increases.

There is a concern that Block Grant funding and CHIP funding will be impacted by reductions.

The Public Hearing on the 2014 Tax Budget was concluded at 7:20 p.m.

Dr. Stuart stated two additional ordinances were presented for Council's consideration. The ordinances will be read by Kim Studeny Calhoon, Council Clerk.

Ord Number 38-13

Item c):

c) AN ORDINANCE AMENDING ORDINANCE NO. 29-13 REALTIVE TO WAGES AND OTHER PROVISIONS FOR VARIOUS CITY EMPLOYEES; AND DECLARING AN EMERGENCY.

The ordinance was read in full by Kim Studeny Calhoon, Council Clerk.

Mayor Stewart stated this Ordinance is creating an additional position for the IT Department at less pay and less responsibility. Mayor Stewart stated there is no wish to add a third person; this would be a replacement for the person that resigned from the department recently.

Patty Green stated a review was made of the job description for the IT Specialist. She stated succession planning can be done; an entry-level person can come in and have a career path for them to move into the next level if needed or desired.

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

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

Moved by Mrs. Detrow and seconded by Mr. Fishpaw 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, Dr. Stuart, Mr. Fishpaw

Moved by Dr. Stuart and seconded by Mrs. Tunnell that the Ordinance be passed.

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

Ord Number 39-13

Item d):

AN ORDINANCE APPROVING THE RECOMMENDATION OF THE COMMUNITY REINVESTMENT AREA NEGOTIATION COMMITTEE WITH REGARD TO COMMUNITY REINVESTMENT AREA TAX INCENTIVES APPLICATION FOR CHESTERLAND PRODUCTIONS LLC AND COMPAK, INC.

The ordinance was read in full by Kim Studeny Calhoon, Council Clerk.

Mayor Stewart stated the situation is the Ashland City School Board committee that makes the recommendation to the School Board was unable to make a recommendation for or against the passage of the 75 percent, ten-year abatement. The Board will be meeting July 9th. The developer, Jerry Baker, owner of Compaq and other buildings stated that he has a building on order that is scheduled to start this week. He needed to give a delivery location for the materials for the building by tomorrow (July 3) or cancel his order. A cancellation would cause a delay that would put the building into winter construction.

This afternoon City Council offered Mr. Baker a ten-year, 50 percent abatement without the consent of the School Board. Mayor Stewart suggested there be a conditional approval of 50 percent abatement and change it if the School Board okays 75 percent.

Mayor Stewart wants to be able to keep the building in Ashland; therefore he asked Council to authorize the 50 percent abatement now and make the adjustment to the wording as needed. The Mayor stated the 14 jobs noted in the Ordinance can be used by a firm that will combine three other warehousing facilities with 100,000 square feet, which will all become a distribution center for local manufacturing. 100,000 square feet, to be used by a manufacturing company, will be used by a business that is relocating at the first of the year.

The Mayor had nothing in writing about the area considered for expansion. He stated a tax abatement now, given the potential for growth, could lead to 100 jobs next year.

Mrs. Detrow noted that the Ashland County West-Holmes Career Center had approved the abatement and the City School Board had not; she asked when the schools received the information.

Mrs. Goon (Economic Development) stated both schools received the information on June 18th; they were delivered to the two schools by the Administrative Assistant on the same day. Ashland County West-Holmes Career Center met that Thursday and the abatement was authorized at their meeting on June 20th, 2013.

Mayor Stewart noted at the June 24th Ashland School Board meeting one of the board members stated "This is the first time I've seen this." Therefore, even though the packets were sent to the schools, apparently the individual board members had not received the information.

Dr. Stuart stated the Ordinance needs to say the abatement is 50 percent unless the Ashland City School Board approves it, at which time it will become 75 percent.

Attorney Dave Stimpert, attending for Rick Wolfe, recommended the Ordinance state 75 percent, and a separate paragraph stating the rate would be 50 percent should the Ordinance not be approved by the Ashland City School Board.

Mrs. Detrow asked if Mr. Baker would agree to take 50 percent if he doesn't get 75 percent.

Mayor Stewart stated the Ordinance does not compel him to build at all.

Mr. Valentine stated he wonders where Mr. Baker is that he is not coming to the meeting to explain his plan and talk about the jobs and benefits. Mr. Valentine stated he needs information and does not want to be rushed into making a decision.

Mayor Stewart stated he did not invite Mr. Baker to the meeting. The Mayor said he is presenting the option for approval; it has been "a turmoil" for the last two weeks.

Mr. Valentine stated in the past Mr. Baker had been sold land at Westlake and he then sold lots on that land. He noted Mr. Baker does not have a good past track record. If the City is going to do him a favor, he wants more assurance.

Mayor Stewart stated no one on Council was involved with that transaction at Westlake, and he does not look at this opportunity as "a favor". This is a consideration that would be afforded anyone who comes to Council with a similar proposal.

Mr. Valentine asked who would hold Mr. Baker accountable to providing 14 jobs. He also noted that with Compaq he has utilized temporary workers only. He stated Ashland needs good, full-time paying jobs, not \$7.50/hour temp workers. He noted we don't need more working poor people in the County; we need people to make a decent wage.

Mayor Stewart stated Mr. Baker would forego the abatement if that happens, and there is an annual review committee that meets to review the commitments within the abatement agreements.

Mayor Stewart pointed out the requirement of the agreement to \$450,000 in additional payroll with 14 new full-time permanent job opportunities.

Dr. Stuart stated it was \$32,000/year average.

Mr. Valentine stated the supervisors would be making more than the workers, so the breakdown would be less income to some.

Mr. Kremser stated there is a paragraph [number 11] about non-compliance in the CRA Agreement.

Mayor Stewart stated in the past there has been one or two that have not complied and the committee extended the compliance date.

Mrs. Tunnell questioned the wording of "may" versus "shall".

Attorney Stimpert stated if Chesterland Productions fails to fulfill its obligations it would be a material failure to fulfill its obligations under the agreement. The agreement says that he will create the 14 jobs. He stated "may" is the City's determination. "Shall" is mandatory.

Mr. Fishpaw stated the "may" gives the City the option to extend the contract.

Mrs. Tunnell pointed out that the start date of the project was June 30th. She asked if that would be a problem for Mr. Baker.

Mayor Stewart stated the production date is the week of July 1st.

Mr. Valentine pointed out that Mr. Baker has already decided to have the building materials delivered before Council's authorization of the requested abatement.

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

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

Nay: Mr. Valentine

Moved by Dr. 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, Dr. Stuart, Mr. Fishpaw

Nay: Mr. Valentine

Moved by Dr. Stuart and seconded by Mrs. Tunnell that the Ordinance be passed with the amendments.

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

Nay: Mr. Valentine

Resolution Number 10-13

Item a)

A RESOLUTION AUTHORIZING AND RATIFYING THAT THE CITY OF ASHLAND ENTER INTO, AND ACCEPT FUNDS AWARDED FROM, A GRANT ISSUED BY THE FEDERAL EMERGENCY MANAGEMENT ASSOCIATION – ASSISTANCE to FIRE-FIGHTERS GRANT (AFG), 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: Mrs. Tunnell, Dr. Stuart, Mr. Fishpaw, Mr. Valentine, Mrs. Detrow

Chief Anderson stated this request to apply for the grant for the exhaust system at the Fire Station had been brought before Council approximately a year before. A couple weeks ago the grant was awarded. This ordinance will allow the project to go forward.

Mrs. Tunnell asked how long it will take to get the equipment installed and in place.

Chief Anderson stated it all depends on the manufacturer. He stated it would be nice to have it in by the end of this year.

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

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

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

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

Moved by Mrs. Detrow and seconded by Mr. Fishpaw that the Resolution be passed.

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

OLD BUSINESS: None

NEW BUSINESS:

a) Advertising on Private Property Permit Application for Papa John's Pizza to distribute coupons.

Moved by Mrs. Tunnell and seconded by Mr. Valentine that the request be approved.

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

COUNCIL COMMENTS:

Mr. Fishpaw stated he had complaints about grass mowing at the two gas stations on Claremont Avenue and wanted to move forward with a letter to the property owners.

He also had a complaint about the area across the street from Dairy Queen where the fence is covering the pavement that has crumbled and leaves a hole that children can fall into.

Mayor Stewart stated he had met at the site with ODOT to discuss how it could be repaired since it is on private property. It is an extension of the culvert system and the fence is in poor repair. The owner is not going to take care of it. The City put the fencing up. The Mayor suggested cement barriers used on highways might be a solution to at least prevent a toddler from walking into the hazard.

Mr. Valentine stated those barriers are only 36 inches, which allows for children to climb over the barriers, but taller ones are available.

FINANCE DIRECTOR'S COMMENTS:

Mr. Paxton stated the 2012 audit has been completed. There will be a post-audit hearing by the officers from the Canton office that did perform the audit. This is a requirement of the process. After which the 2012 audit will be released to the public and put on the Auditor's website.

Mr. Paxton stated the audits will be done through the State Auditor's Office. There was a rearrangement of the districts and there will probably be new auditors for next year.

Mr. Paxton stated the bonds are now half-way through their term which allows the City to lower its interest expense. At the next meeting there will be legislation to allow the City to refinance the bonds. The interest rates have increased slightly; the savings to the City will be approximately \$750,000. There is advantage to the City in refinancing for another 10 years. The amount of debt is \$7.5 million that the City is rolling over.

MAYOR'S COMMENTS:

Mayor Stewart stated he would like to have an executive session regarding potential sale of property.

Mayor Stewart addressed and welcomed Eric Fortney, a Boy Scout with Troop 586 from Christ United Methodist. He is working on his Eagle Scout designation.

COMMENTS FROM THE AUDIENCE: None

ADJOURNMENT to executive session for the purpose of discussing potential sale of City property at 7:59 p.m.

Moved by Dr. Stuart and seconded by Mrs. Tunnell to adjourn to executive session.

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

ADJOURNMENT from executive session: 8:27 p.m.

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

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

ADJOURNMENT from regular session: 8:28 p.m.

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

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

Respectfully Submitted by
Kimberly S. Calhoon, Clerk of Council

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