

CITY OF CANAL FULTON

November 10, 2007

SPECIAL COUNCIL MEETING

Victor Colaianni called the November 10, 2007 Special City Council meeting to order at 9:00 PM in Council Chambers at City Hall.

PLEDGE OF ALLEGIANCE

ROLL CALL

Present: Diane Downing, James Deans, Victor Colaianni, and Nellie Cihon.

Absent: Mayor John Grogan, Linda Zahirsky and Anthony Crookston.

Others Present Mark Cozy, City Manager; Tammy Marthey, Clerk of Council; Chuck Kassinger, Officer-Police Department; Ray Green, Fire Chief; Scott Svab, Finance Director; and Laura Meade, Signal.

City Manager (Mark Cozy): Mr. Cozy stated he has been discussing with various Trustees over the last year and a half the potential of a JEDD with the Northwest Local Schools. He stated he has explained to them percentages of a split of the income tax. It is his understanding from several years ago that they initially wanted a 50/50 split on the income tax. He stated he has had most discussions with Mr. Hardgrove, who wants a 60-40 split. Mr. Cozy doesn't feel this is an agreeable split. He stated, as part of the agreement with the schools, if annexed and further discussions if they want to sign on to a JEDD, the Trustees want the City to absolve the \$60,000 payment on the water line and they want the inside the city water rates, which is \$13,000. The water line payment is through year 2025. He stated he advised Mr. Hardgrove that those numbers would come off the table because it would be a loss. He stated we could possibly negotiate a 70-30 split with what is left over, but we can't take a loss on a JEDD or annexation. Mr. Cozy stated we are one or two annexations away from annexing the schools. Mr. Cozy stated he put some numbers together so they could have some real numbers to look at. Mr. Cozy asked if we annexed the schools or enter into a JEDD for the schools, is the City going to take it upon themselves to reimburse the water department from the income tax money or are they going to use the income tax money to fund the police, fire and road departments. He stated when he put the numbers together for the income tax issue; his assumption was that the income tax money would be used to fund the fire, police and roads. He wasn't thinking they would be paying back the water department. He stated it was told to him recently that there was a verbal pact made previously that the City's obligation was if the schools were annexed, they would take the income tax money and reimburse the water fund. He stated he was unaware of this and this would effect the negotiation of the JEDD. He stated his position is, if they are obligated to reimburse the water fund when they annex, then the JEDD is off the table because we can't sacrifice a dime of the income tax money and we would have a hard time of fulfilling our obligation of Issue 52. He asked why this wasn't pointed out to him before that there was a handshake agreement with someone, not sure who, whether it was a past council. He doesn't feel that a past board, unless it is a written agreement, can bind a future board.

Mr. Colaianni stated the only agreement signed was that if the schools were annexed they would forego paying the extra money on the bond. Mr.

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Colaianni stated the intentions of annexation or a JEDD, is to increase revenue for the City to operate.

Mr. Colaianni stated there was an article where Mr. Hardgrove was quoted as asking for a five year moratorium on tax revenue from the employees.

Mrs. Cihon has arrived at 9:20 AM.

Mr. Cozy stated he was not aware of the past agreement that was made to reimburse the water department back if the school was annexed. He stated when he did his numbers for Issue 52, he included the annexation as part of the package and if they do that, they will not be able to fulfill the promise they made to the voters.

He stated if we enter into a JEDD with the schools, we are making somewhat of a sacrifice financially. It would be his hope if they do this with the Township, they might be more open to working with us in other areas. He stated if they became a joint fire district, the dollars that they have combined with dollars we would get, we would probably be able to do 24 hour staffing.

Mr. Colaianni stated he is not in favor of the 70-30. He feels it is too generous on our part.

THIRD READINGS – None

SECOND READINGS

Ordinance 21-07: An Ordinance Establishing a Mayor's Court Within the City of Canal Fulton. **Stands as Second Reading**

Let the record reflect, these first readings were erroneously listed under second readings on the agenda. .

FIRST READINGS

Ordinance 23-07: An Ordinance Amending Ordinance 03-07, and Providing for the Transfer of Funds Within Various Accounts for the Purpose of Paying Various City Obligations, and Declaring an Emergency. Mr. Colaianni moved to suspend the rules on Ordinance 23-07, seconded by Mr. Deans. **ROLL: Yes, ALL.**

Mr. Svab stated the other ordinance is dealing with the emergency water line. This enables the City to transfer the monies from the water operating funds to the water capital project. The quote Mr. Mayberry received is \$92,736.00, which includes a contingency amount. This ordinance also includes some unappropriated line items.

Mrs. Cihon moved for passage of Ordinance 23-07 under suspension, seconded by Mr. Deans. **ROLL: Yes, ALL.**

Ordinance 24-07: An Ordinance Authorizing the City Manager to Enter Into a Contract for the Replacement of a 12" Waterline on Locust Street, and Declaring an Emergency. Mrs. Downing moved to suspend the rules on Ordinance 24-07, seconded by Mrs. Cihon. **ROLL: Yes, ALL.**

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Mr. Svab stated he was hoping legal counsel was going to be present to clarify the emergency measure. He is concerned that they weren't able to accept sealed bids on this project. Mr. Mayberry had advised him that this project had to go forward in a quick fashion. Mr. Svab stated he spoke with Mr. Cozy about this and Mr. Cozy has told him that he had spoken with Mr. Batista and he had indicated that he got the language for the legislation from North Canton on this matter. Mr. Colaianni stated at the meeting on Wednesday that Mr. Mayberry had indicated the repaired line is still seeping water and they are unable to stop it due to corrosion.

Mr. Deans moved for passage of Ordinance 24-07 under suspension, seconded by Mr. Colaianni. **ROLL: Yes, ALL.**

Ordinance 25-07: An Ordinance Authorizing the City Manager to Enter into a Contract with the Stark County Public Defender's Commission for 2008. **Stands as a First Reading.**

OLD/NEW/OTHER BUSINESS

Mr. Svab stated P.O. 4996 to W.G. Lockhart in the amount of \$20,000 was previously approved. The final invoice reflects \$23,750. He is asking Council to amend this P.O. to include the additional \$3,750. Mr. Deans moved to amend P.O. 4996 to include the additional \$3,750, seconded by Mrs. Downing. **ROLL: Yes, ALL.**

Mr. Svab stated he would like to address the check the City received in the amount of \$200,000 from Lindsay Concrete. On Tuesday, November 13, a bond council will call and start pricing it out and will need to know the exact amount. He would like to get the consensus of Council if they are going to put the entire \$200,000 to the parks, which is what he would recommend.

Mr. Cozy stated initially they were looking at \$100,000 going toward the land and the other \$100,000 they could put it toward the development of the property or wherever they needed it as long as it was spent somewhere on the property such as to provide fire services or the road to connect Erie to Locust.

Mr. Svab stated he would rather see the principle reduced and expedite the sale of Nichter property that they agreed upon before and put those funds toward the development of the park. He stated they need to sell that property and put the funds toward the new park and this is what he recommends to Council.

Mr. Cozy stated they need to come to a consensus if they are willing to take away a soccer field now and not replace it for a year or two.

Mr. Colaianni stated the agreement to split it, the thought process that was explained to Council, was that it could be used if they were any additional funding needed for the fire station to get it back in line and not strain the general fund.

Mr. Deans stated he thought it was to be split \$100,000 equally between the two.

Mr. Colaianni asked if the final number for the fire department was solid. Mr. Cozy stated they are under the contract itself. He stated there

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weren't any cost overruns. He stated the furniture is still on the table and needs discussed.

Mrs. Cihon stated she thought all the monies were to go into the park and to sell the Nichter property and put that into the park.

Mr. Colaianni stated part was to go to the bond and the other stipulation was put if the other \$100,000 was used it had to be used for something on the land, which included the fire station.

Mr. Cozy stated initially Lindsay came forward and offered the \$200,000 toward the purchase. Mr. Cozy stated he then negotiated with them, because he wasn't sure with the fire station and other financial obligations, if they would be agreeable for \$100,000 going toward the principle and the other \$100,000 going toward any expenditure that may occur on the property. They said okay and came up with an agreement. He stated this doesn't say they can't do the whole \$200,000 on the principle, they can do that because it was the original intentions but they do have \$100,000 available to invest somewhere on the property and this is up to Council to decide.

Mr. Cozy stated they had discussed the sale of Nichter property but the problem he has with the sale is that he doesn't want to take a soccer field away from the youth for a period of years. He would be opposed to this personally.

Mr. Svab felt they could seed some of the Puffenberger property for a soccer field. He stated the corn is off right now. Mr. Cozy stated if they did it now and again in the spring. Mr. Svab stated he spoke with Mr. Slicker and he felt there is still a chance to get grass established this year before a frost. He stated if they heavy disked it they could seed it for a temporary soccer field. Mr. Slicker could come in and chisel plow it and plant it like a hayfield.

Mr. Cozy stated no they couldn't do that, they would need to get in there with at least a dozer and knock the wind rows. If they don't use a dozer to at least pan it to knock the wind rows down. He stated he knows some people that are good on dozers and would probably do a decent job, but they are going to have to do more than just disc and plow.

Mr. Svab stated he disagrees because when they see a hayfield it is flat as a pool table.

Mr. Colaianni asked where they are at with a final number on the fire department.

Mr. Svab stated the general fund has already forwarded the Klingensmith money and this is one of the problems they had. They had already been paid \$90,000 at the beginning.

Mr. Cozy stated we don't have all the final numbers in yet. Mr. Colaianni stated he is asking because if they want to put the whole \$200,000 toward the bond, he doesn't have an issue but his thought process is, if Mr. Cozy negotiated an agreement that it could be used for anything on the property, he doesn't want to rob Peter to pay Paul if they don't have to. If they need to keep \$50,000 back and put \$150,000 toward the bond and leave \$50,000 back for the fire station for any possible overages or current overages, then they need to do that.

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Mr. Colaianni, Mr. Deans and Mrs. Downing felt they should put \$150,000 toward the bond and keep \$50,000 back. Mrs. Cihon expressed she felt they should put the whole \$200,000 toward the bond.

Mr. Colaianni asked if they didn't need to use the \$50,000 for the fire station if they could roll it into the bond. Mr. Svab stated they could when it came up for renewal. He stated he could put it in a CD and get almost the same amount.

Mr. Gross stated even though the fire station is almost completed, there aren't any desks, any phones or computers. There are a lot of small things they don't have.

Mr. Deans stated Clinton will be having a Veteran's Day ceremony at 3:00 PM on November 11, 2007.

2008 Budget

Mr. Svab stated they will collect over \$50,000 in the license renewal fees.

Mr. Svab reported that without the .04% income tax increase, they would have had a \$167,000 shortfall for 2008 from the businesses that have moved out. He stated the individual accounts, based from the W-2, have increased and currently have helped offset the decrease in business.

Historically, November is a slow collection month.

The projection with the .04% increase is \$300,000 increase in taxes. He stated the 2007 property taxes will be paid in 2008 and at the first of the year; they will need to pass an ordinance taking off the 2 mills that was voted on and for all to remember that property taxes are paid in arrears.

Estimated revenue – will be meeting with the insurance broker for the employee health benefits soon and doesn't feel we will get a drastic increase in premiums.

He stated the largest downturn was from development. This was from water and sewer tap-ins. We haven't had the growth that we have had in the past. Year-to-date figures are significantly down. He feels with the Fulton Landings project it may increase in 2008.

He stated the Water Department needs a portable generator for the lift stations.

Mr. Svab stated he would like to have a budget meeting an hour before the next Council meeting. Mr. Colaianni stated he could send out an email out asking members if they are available and then they can schedule it.

Chief Green stated they will be asking for the air packs.

Mr. Colaianni stated they sold an issue on several things in the ballot language and they are going to need to start putting something somewhere for the staffing, manage reserve, asphalt and show it.

Mr. Svab stated during the first three months of 2008 is they could start a search for a full-time police officer.

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Mr. Svab stated he would like to get the phone system installed that they have previously discussed. They will have an \$800-\$1000 a month savings on the telephone bill going with the PRI line.

Mr. Cozy stated he looked at the quotes for the furniture. He stated there weren't any computers in the quote. He stated he would rather give them the money to purchase the furniture.

Mr. Colaianni stated he is meeting with the manager today at Office Max to see if they can give a discount for the furniture. Chief Green stated he would go with Mr. Colaianni.

Chief Green stated they are going to need to be wireless for the firehouse software. Lt. Gross stated the estimates they have received for computers, server, and projectors are \$12,000.

Mr. Colaianni asked if the meeting date has been confirmed yet with the Trustees. Mr. Cozy stated Ms. Marthey is currently working on it.

Chief Green spoke about the billing for the EMS runs and how the billing is done and a procedure to set up how they will do the billing for the township residents.

ADJOURNMENT

Victor Colaianni adjourned the November 10, 2007 meeting. The next regular scheduled meeting is November 20, 2007 at 7:00 p.m.

Tammy Marthey, Clerk of Council

Victor Colaianni, Chairman