

CITY OF CANAL FULTON

September 20, 2005

REGULAR COUNCIL MEETING

Mayor John Grogan called the September 20, 2005 City Council meeting to order at 7:30 PM in Council Chambers at City Hall.

PLEDGE OF ALLEGIANCE

CALLING OF THE ROLL

Present: Mike Mouse, Diane Downing, Victor Colaianni, Linda Zahirsky, Bob Szanto and Mayor John Grogan **Absent:** Nellie Cihon - Mrs. Zahirsky made a motion to excuse Mrs. Cihon due to surgery; seconded by Mr. Colaianni.

OTHERS PRESENT

Dan Mayberry, Interim City Manager; Scott Svab, Interim Finance Director; Fred Fleming, Parks & Recreation Board; Chief Ray and Mrs. Debbie Green, Erin Cappo, and Jon Zalewski, Fire Department; Chief David and Mrs. Geri Frisone, Police Department; Chell Rossi, HPC; Marvin Hardgrove, Lawrence Township; Tom Bellish, DirectEnergy; Louis Dirker, (Stow, OH); Joan Porter, Repository; Craig and Emily Cappo, and James Deans, Residents

SWEARING-IN CEREMONIES

Mayor Grogan swore in Ray Green as Canal Fulton's Fire Chief and presented Mrs. Green with flowers from the city.

Mayor Grogan swore in David A. Frisone as Canal Fulton's Police Chief and presented Mrs. Frisone with flowers from the city. Chief Frisone invited all to celebrate with cake and coffee at the VFW after Council concludes.

CORRECTING & ADOPTING THE RECORD OF PROCEEDINGS

Mr. Colaianni made a motion to approve the August 16, 2005 Council meeting minutes; seconded by Mrs. Downing. **Corrections:** (Mr. Svab wanted to amend the minutes; however, transcriptionist notes Mr. Svab was amending the wrong minutes. He actually wanted to add to Page 1 of the September 6, 2005 minutes, under OLD BUSINESS, License Plate Fees – Possible Increase: "Either the county or city gets to increase the license plate fee \$5; if the county raises it first, the city would not be able to do so, because of State law capping it.") Mrs. Zahirsky corrected Page 3, under OTHER BUSINESS, ORDINANCE 15-05, Paragraph 1: replace word "physical" with "fiscal."
ROLL CALL: Yes – ALL

Mr. Colaianni made a motion to approve the August 23, 2005 Special Council meeting minutes; seconded by Mrs. Zahirsky. **Correction:** Mrs. Zahirsky corrected Page 3, Line 3: replace word "damage" with "advantage." **Discussion:** Mr. Colaianni thanked the Clerk of Council "for diligently going through the tapes and getting these done for us." Mrs. Downing stated, "They had to be difficult trying to figure out who was who during the meeting." Mrs. Zahirsky said, "It was a massive, massive amount of typing she did." **ROLL CALL: Yes - ALL**

Mrs. Zahirsky made a motion to approve the September 6, 2005 Special Council meeting minutes; seconded by Mrs. Downing. **ROLL CALL: Yes - 4 ABSTAINED – 2 (Mr. Colaianni, Mr. Szanto)**

CITIZENS' COMMENTS ON AGENDA MATTERS - None

REPORTS OF ADMINISTRATIVE OFFICERS

SENIOR CITIZENS (Nellie Cihon) – No Report

COMMUNITY SERVICE – No Report

FIRE CHIEF (Chief Ray Green)

Update on Radio Tower Installation and New Cell Phones: The Fire Department will be allowed to locate their antennae on the tower (Marshallville and Rt. 21), increasing elevation 200-feet, "drastically" increasing radio coverage.

Firefighters conducted a "Fill the Boot Campaign" to assist in hurricane relief, raising \$2,280, which was given to New Franklin. They loaded a truck with supplies, delivered same to rural Mississippi.

POLICE CHIEF (Interim Chief Charles Kassinger) – No Report

ENGINEER (Bill Dorman) – No Report

FINANCE DIRECTOR (Interim Finance Director Scott Svab)

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Bills: Mr. Svab distributed copies of the bills. Mr. Szanto made a motion that Council acknowledges receipt of a copy of the payment of the bills in the amount of \$319,636.41 as presented by the financial officer; seconded by Mrs. Zahirsky. **Discussion:** It was noted many fuel vendors are now charging fuel surcharges. Mrs. Zahirsky asked if the electric bill was higher, and was told it was two months' payment. **ROLL CALL: Yes – ALL**

State Auditor's Phone Call to Mr. Mouse: Mr. Mouse asked why the GASB 34 Conversion Report wasn't in on time and why the report still has not been completed. Mr. Svab said he sent that information based on engineering reports Dan Mayberry gave him, and the reason they were behind was that when Mr. Rodino left at the end of May; at that time he had to file for a 60-day extension, which he did not do. When Mr. Svab arrived, they requested that information, which was basically the total cost of the infrastructure of all our roads (21 miles) and a depreciation schedule to follow that. He didn't have that data available. Mr. Svab said he talked to the auditor with the Mayor present. As far as the \$750 fine, the auditor assured it would be waived as the City Manager and Finance Director left at the same time. Also, there was no one "to sign off on that and let the audit continue." Mr. Svab said all they now need is the depreciation schedule for sewer/water, which he is finalizing and submitting this week. Mayor Grogan asked that Mr. Svab forward a copy to Council members as a courtesy.

MAYOR JOHN GROGAN – No Report

CITY MANAGER (INTERIM - Dan Mayberry)

River Road Culvert Project: Progressing nicely; existing 48" pipe has now been lined with the 24" pipe; contractor starts tomorrow setting the catch basins.

Tennis Courts @ Muhlhauser Park: Asphalt placed today; playing surface will be put on in about three weeks; approximate five-week lead time on the light poles.

September's Canal Fulton City Newsletter Report by Council President Mouse: In the newsletter, Mr. Mouse had written Mr. Mayberry had requested a 100% water rate increase. Mr. Mouse asked him if he misquoted him. Mr. Mayberry said he didn't misquote him but it was Mr. Rodino, the Finance Director, who brought that issue to Council. Mr. Mayberry said it was a task the City Manager had placed on the Finance Department, and he was asked after several weeks to assist Mr. Rodino. He said he came to the meeting to offer any information he could on reports he'd given Mr. Rodino; one of which was the Ohio EPA Water and Sewer Rate Survey. He said the total was a 20% water rate increase spaced out over four years, and it was recommended that similarly to the waste water user charge system, that the water rate be adjusted annually based on the inflation rate through the Consumer Price Index. Mr. Mouse asked if it was 2003 when a discussion occurred and Mr. Mayberry was present, about taking water out to the high school. He said he asked then if it would effect our water rates, and he thought he heard clearly that, "No, it won't effect our water rates; everything's fine." Mr. Mayberry said he thought the question was, "Will it affect our water system; and, no it would not cause us to throw us into an expansion of the water system. I don't believe rates were talked about at all at that time." Mr. Mayberry said the water rates have not been increased for five years. Mr. Szanto stated what bothered him about this issue is when the public reads a 100% increase in water rates they're liable to be afraid that their water bill is going to jump (for example) \$58 to \$116, which was not right. Using the same example, the water would not increase 100%, and based on a 20% increase, the water rate would go up less than \$3 of the total bill. Mr. Mouse said he'd put in the newsletter a clarification as to what they understood now is that is was only 20% over a five-year period; Mr. Colaianni requested he do same.

Water Expansion: Mayor Grogan asked if Mr. Dorman had talked to Mr. Mayberry referencing the ability to "expand water out" or if he was still looking at the figures and was told, "No."

PARKS (Fred Fleming)

Grant Receipt/Discovery Park: The city received \$31,982 in grant money. There was a public meeting at Echoing Ridge; Cawrse & Associates attended. Mr. Mayberry said the input for the design came from the residents attending that and other meetings. It was designed; there was a project budget that was the core of the grant. The city received about 35% of the funding. Mr. Mayberry said what was described in the grant is where the money received has to be applied. Mr. Colaianni said Echoing Hills is a large corporation with people who should be contacted to have them involved in the process; family members would probably also like to contribute to the project.

LAW DIRECTOR (Attorney Dale Kincaid)

FIRST, SECOND, THIRD READINGS - None

PURCHASE ORDERS & BILLS

P.O. 4440 made out to Thomas Klingensmith in the amount of \$3,500 for Preliminary plan design for new fire station. Mr. Colaianni made a motion Council approves P.O. 4440 in the

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amount of \$3,500 to Thomas Klingensmith; seconded by Mrs. Downing. **Discussion:** The Mayor noted Mr. Klingensmith has been working on the Fire Station design, revamping it many, many times and this is the first time Council has reviewed the matter of compensating him for his work. Mr. Szanto stated he was "very generous in doing all this work and waiting this long to get his money." **ROLL CALL: Yes - ALL**

P.O. 4444 made out to Haymaker Tree & Lawn Service in the amount of \$4,500 for removal of trees and stump grinding at Muhlhauser Park. Mrs. Zahirsky made a motion to approve P.O. 4444 in the amount of \$4,500 to Haymaker Tree & Lawn Service; seconded by Mr. Colaianni. **ROLL CALL: Yes - ALL**

NEW BUSINESS

Tom Bellish, Opt-In Program for Gas Aggregation (November) in Conjunction with Stark County and North Canton: The supplier is DirectEnergy, and \$8.24 was the price struck in mid-September for November. In April, it was \$9.08; for July through October, with a month lag in billing. The December bill's price has not yet been set. He presented a graph reflecting gas prices; saying "hot summers are as bad as cold winters as far as natural gas use goes." He further explained the fluctuations of the gas prices (hurricanes, bad winters, etc. Mr. Bellish said the striking the price was not settled; it's actually done during the active trading day, so you get "a live number," and there is a \$0.03 premium. Mayor Grogan asked if Mr. Bellish had figures from last year and whether there were such significant increases as compared to this year's. Mr. Bellish said the beginning of the graph started in September when they struck a price for this program; October/November spiked up (4 hurricanes in Florida); the shallow waters surrounding New Orleans is really where all the natural gas wells are, so direct hits there are critical. Hurricane Rita is a problem because they need to evacuate wells that are under production or currently being repaired. He said 25% of all natural gas in the country is from the hub in Louisiana. Mr. Bellish stated there was a lot of activity last year; prices moved up \$1.25; this year's activity reflects a \$4 increase. Mr. Colaianni asked when a good time was to set up a budget, and is there a way to set up a budget now, where when the new price goes into effect that it will at least remain somewhere in that vicinity; he also stressed concern for Canal Fulton's senior citizen population, and asked if the spike is going to be reflected in the budgets that are set, or can they strike a budget now based on what's going to happen in December or January. Mr. Bellish said Dominion East Ohio Gas can set people up on budget billing, which is programmed and set up via Dominion. Mr. Colaianni said if they strike that now, would it endure for the winter without a huge fluctuation. Mr. Bellish said he wasn't exactly sure of how they do the estimated billing to do the budget billing and that he thought "they take their best stab at it," and a lot of companies encourage budget billing, so it's at least level through the winter. Mr. Colaianni said one of the County Commissioners said they were considering a variable rate. Mr. Bellish stated they've negotiated what they can with DirectEnergy; he said, "The rest of it is purely off the market, and there's really no negotiating at this point. All's it is - is which day you want to strike." When the price has been struck, it is capped. The city has the flexibility to strike for the winter or the entire year, and the city would get a slightly lower price if they do it for the whole year. A discussion ensued about what the best time of the year would be to strike, speculation, etc. Mr. Bellish said the city can renegotiate two years in advance, but his recommendation would be to "strike it before Rita took a right-hand turn and do it tomorrow," otherwise let it go to "the end of October or something." (That would make the November "go variable.") Mr. Bellish said another strategy is to set a target price. Mr. Mayberry has the authority to strike with DirectEnergy over the phone. It was agreed to wait up until October 27th and the call has to be placed between 10 AM and 2:30 PM Central Time (Houston's) to strike.

OLD BUSINESS - None

OTHER BUSINESS

Memorandum of Agreement for the Development, Use, and Operation of a Joint Health & Wellness Facility: Mr. Fleming said what the T.A.P. Committee is trying to do is get to a point where the next step (from the memorandum) would be the resolution to start the process of putting together the Board of Trustees for the Health & Wellness Facility; T.A.P. is requesting a consensus as to whether or not the city has intentions of moving forward with a recreation facility project with Lawrence Township. Mrs. Zahirsky said Council has not had the opportunity to discuss same with the Law Director and is not comfortable voting for any type of a contract without his advice/counsel. Mr. Fleming stated it is "just a preliminary to the actual contract," and they have to go through the resolutions (one for Council/one for the Township Trustees), and that leads to the signing of the contract. Mrs. Zahirsky asked what is the percent of tax under Item 6; but the answer is unknown because they don't know what they're going to need. Mayor Grogan said this has been well received by both the Township and city, and he thinks it is a communal need and sees no reason why they shouldn't continue. Mr. Hardgrove said he views the memorandum as "just an agreement to agree." Mr. Szanto said they previously looked into and discussed the value of establishing a Board, which will exist until such time as the facility gets built or the funds are available. If and when the Council and the Trustees agree on this agreement and actually establish the Board, it does not mean that

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this facility will be built. The Joint Board, Mr. Szanto stated, is a legal means for the Township and city to share funds. Under the Ohio Revised Code, they cannot and establishing a Board is the only way for the two municipalities to be able to move forward; it doesn't mean that it has to happen immediately after that. Mr. Mouse was interested in costs, and how soon they would appear in the process. Mr. Hardgrove said this is a foundation of what the ultimate agreements are going to be; the lawyers will add the legal verbiage, but "you shouldn't wait for somebody else to put your two cents' worth into this thing." He added, "If you don't want to say it the way it's said here then make changes." It was suggested to have Mr. Kincaid review the memorandum for his opinion on same, to be distributed to all concerned prior to the next meeting, as there was a consensus with Council to continuing the process.

Mrs. Zahirsky made a motion that City Council meet at 7:00 PM October 4, 2005 to review the Memorandum of Agreement for the Development, Use, and Operation of a Joint Health & Wellness Facility; seconded by Mr. Colaianni. **ROLL CALL: Yes - ALL**

CITIZENS COMMENTS (*Open Discussion, Five-Minute Rule*) - None

REPORT OF COUNCIL PRESIDENT – No Report

REPORT OF STANDING COMMITTEES – No Report

ADJOURNMENT

Mr. Szanto made a motion to adjourn. Mayor Grogan adjourned the September 20, 2005 City Council meeting.

Patricia A. Troccoli, Clerk of Council

Mayor John Grogan