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Council President Baker called the regular meeting to order.

Pastor Chuck Davis of Calvary Assembly offered the prayer. The Pledge was recited by all.

Roll call: Shupp, Miller, Vance, Hamsher, Aspiras, Corfman and Leathers were present.

Aspiras moved and Miller seconded that the minutes of the October 15, 2012, regular meeting be accepted as posted. Roll call vote. All ayes. Motion carried.

Public Comment: None.

Standing Committee Reports:

A. Finance – Mr. Miller: Thank you, Mr. President. Council should have received the 2013 Temporary Appropriations calendar this evening prior to our meeting. You'll see it's very similar to what we have done in the past. You will get your workbooks prior to the next meeting and we will have the first reading during the next meeting and it will go three readings and this is, as I said, it is very similar to what we've done before. We also have some legislation on the docket tonight about some appropriations amendments that Ms. Strimlan will address. And that's all I have, sir.

B. Utilities – Mr. Vance: No Report.

C. Health & Safety – Mr. Corfman: Thank you, Mr. President. I'd like to thank the Police for an outstanding job. I saw them cruising my neighborhood quite a bit for Halloween last night as it was postponed a few days to avoid the rain. They were very present and that was helpful. I'd still like to caution parents from driving along. I heard a number of complaints that driving their kids from spot to spot. In certain streets this becomes a problem such as Walnut where it's narrow and you're just creating a traffic problem that's worse for everyone else's children. Hard to catch, it's hard to stop, but its unfortunate; but again, a thank you to the Police. I'd also like to remind Council of a special Health and Safety meeting next Monday after Utility Board. It will be concerning the dog ordinance. We will have someone from the Humane Society as well as the County prosecuting attorney here to help explain and clear up some things about that. That will be at 6:45, 7:00 somewhere in there. And that's all. Thank you.

D. Parks and Recreation – Mr. Aspiras: Thank you, Mr. President. I have no report tonight, but I would like to congratulate Coach K and the Orrville High School volleyball team on their playoff run. They actually won the district, they won the regional. Congratulations. And I believe they're going to State this Friday in the semi-final State tournament games. Congratulations. Best wishes to those Lady Riders. That's all I have. Thanks.

E. Transportation – Mr. Shupp: Thank you, Mr. President. I have no report tonight.

F. Planning – Mr. Hamsher: Thank you, Mr. President. No report here.

G. Ordinance & Personnel – Ms. Leathers: Thank you, Mr. President. I have no report this evening.

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Special Committee Reports: None.

Administrative Reports:

A. Mayor Handwerk: Yes, thank you, Mr. President. I have several items tonight. First I'd like to announce that Ken Tibbitts has been chosen as our Power Plant Maintenance Employee of the Month for November. His supervisor Don Jackson selected Ken for his valuable experience and advice during Don's first year in the department. Ken has worked in the power plant for over 30 years where he has experienced many things during his tenure as Plant's electrician. Ken is always willing to give a hand and offer a suggestion for an improvement. He has many times been called in after hours to get a piece of equipment running or give a hand to someone else. He is our most experienced employee in the plant and is a very versatile and valued worker. Ken is a native of Orrville and lives on the Westside of Orrville with his wife Ruth and they have raised two sons. Congratulations Ken and we thank you for your sound advice to Don and in helping keep the whole department and the Utility moving ahead for our customers. And we'll be having lunch together next Tuesday. Over the past two weeks I've attended the American Municipal Power/Ohio Municipal Electric Association annual conference in Cleveland and also the Ohio Municipal League Board of Trustees meeting in Columbus last week. At the AMP and OMEA conference we continue to receive rather disturbing news about our Federal Government's assault on our energy providers and how difficult it is going to become to provide this country's energy needs. This of course, means continued concern for our own power plant and our customers. Some of the information provided to us via non-partisan OMEA Federal Legislative Representative Marty Kanner literally makes you sit and shake your head and wonder if our own government will actually allow us to provide enough energy to meet this country's demand in the future. The EPA and our electric utility and all of those concerns mixed with information received at the October 31st Ohio Municipal League Board of Trustees meeting was perfect for Halloween because it was scary. And that was down in Columbus. On the City side of our government we received word of yet another take-away program from the State. This is HB601 which has some things in it that makes sense as far as more consistency in tax collection is concerned. It is a bill that is business friendly but in that bill is a certain section that deals with net operating loss that will take away huge amounts of revenue for the City's budget. Coupled with the loss of local government funds, tangible personal property tax and the loss of the estate tax we'll see a loss of revenue that could be twice as much as the ¼% income tax that we put on the ballot 7 years ago that failed. Throw in an equally large amount of money that we no longer receive for investment interest and we have some serious holes to start filling starting next year. Understanding that the State has its own issues to deal with financially, we are going to be left in a very uncomfortable place down the road. We may be forced with cutting services, asking for additional tax revenue, or some combination of the two in the next few years. And I'm not proposing anything like that right now, I'm just saying that that's probably something we're going to have to look at; a position that we did not put ourselves into or a position that we chose not to be in and unfortunately a position that we have little control over. Our administration will continue to closely monitor this situation and we will do what we have to do to keep our City's sound financial standing. On a more positive note for us, we were very fortunate to avoid heavy damage or loss of power during hurricane Sandy. Certainly parts of NE Ohio and of course the east coast sustained heavy damage with loss of power and loss of life. And we need to continue to keep those areas in our thoughts and prayers. And also please remember to thank our Veterans as we approach Veterans Day. I think with all the election hoopla I think people might even almost forget about Veterans Day this year and I certainly would hope that is not the case. They've given so much for our freedom. And finally as Councilman Aspiras said, I want to congratulate the volleyball team and

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coaches and parents. Every time I see a team do this well I have to think of what it's involved with the parents with all the late suppers and traveling to all the games and everything like that. And though it is a great, exciting time for those parents it is a lot of work for them too. But we wish them well in their upcoming trip to the State volleyball tournament and wish them the best of luck this Friday in the semi-finals. So hopefully they'll do well. And that's all I have. Thank you.

B. Safety Service Director Wheeler: Thank you, Mr. President. The Fire Department will be doing some training tomorrow night and Thursday night on 219 South Main Street. This is a property that's owned by one of our business owners that just recently purchased it. And of course, once they're done with the training it will be demolished. It actually was utilized by our Police Department for training last week. So we appreciate Mr. Snyder donating the house for us for a few days. The contractor that resurfaced Johnson Hardware parking lot will be coming in to do some maintenance crack sealing on the lot on Wednesday morning. We are going to try to close that about 6 a.m. It should be opened up within a few hours, definitely by lunchtime. We will be notifying the businesses in that area. I have also contact Mr. Wasniewski help, to ask him to get the word out as well. Leaf pickup officially started this morning. As probably everyone noticed our Street Department's been out for the last week or so picking up any piles that were already out there. Don't worry about it. We are still sticking to the schedule so everyone south side of Market including Market beginning today is being picked up. They'll spend two weeks on the south side and bounce over to the north side for two weeks and then pick up any miscellaneous piles that might there in the mean time. The City Hall roof project started today. That should be completed this week. You probably saw some large equipment in the back there and that's what that's from. And that is my report for tonight.

C. Utilities Director Brediger: Thank you, Mr. President. You did hear the Mayor comment on hurricane Sandy. We did have just three customers that were impacted by this outage so we were pretty fortunate in that area and a lot of that is a testament to the tree trimming efforts and a lot of the system upgrades that we've made over the years. Also in the outage area, many of our customers are aware we've had a lot of problems with the squirrels this year. We are in the process of installing an additional 400 deterrents or guards out on the system. This will cover about half the City. We'll see what kind of progress or reductions we see by these efforts. If not, we will kind of continue on in that. But we will be spending thousands of dollars putting additional deterrents up on the wires, transformers, and some of the other related switches that these vermin seem to get into. Prairie State Unit 2, this is a second coal-fired plant unit project that we're involved in out in Illinois, that second unit went into commercial operation last Friday. So that is good news for us. Our consortium of municipal partners took over care, custody, and control of that unit so that will bring us some good energy to us in the future and even though we only have 5mw total from that project. Few other miscellaneous items, just another reminder as temperatures do drop, wanted to remind everybody about the natural gas aggregation program. You can sign up at any time if you are already in the program, you don't have to do anything. The rate is \$4.53 this year. That's down a little bit over a dollar from last year. And rates are on the way up. If you need any more information you can check our website we have links and details there. Mayor also mentioned a few outcomes of our AMP conference. Orrville was elected to another three year term to the Board of Trustees. I was elected as the Chair of the Hydro and the Vice-Chair of the Prairie State projects. Our Distribution in our Power Plant received safety commendations for no reportable injuries or accidents in 2011. This represents a little bit over 108,000 man hours, and again another excellent example of combining the risk of the work that's accomplished there as well as the importance that we place on our employees. In addition to the Federal updates that the Mayor also

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mentioned, the EPA issue is a big concern of ours is the Federal Budget and some of the discussions on the Hill about them taking a closer look at our tax exempt status when we go out and float bonds for various projects whether the project within the City for Municipal related projects or some of our generation projects that are possibly impacted by that. On the State level, AMP is following 165 House and 103 Senate Bills. That organization does outstanding work when it comes to the legislative aspect of it. Neither the Mayor, Ms. Strimlan, or Mr. Wheeler or myself have that kind of time to devote to that much activity going on down in Columbus and AMP and their legislative team does an outstanding job for us. We also received an accommodation for providing mutual aid to the City of Wapakoneta, if you remember the wind storms that we had in June, a number of our municipalities went up and provided aid for that. And just one note on the election front, customers that live in Green Township and even some customers within City limits have been receiving some information concerning Green Township electric aggregation program. This does not impact any of the Orrville utility customers. So if you are an Orrville utility customer and you see that option on the ballot there is nothing to vote for there. It's an opportunity that's afforded government entities to go out and aggregate just like we aggregate natural gas for all of our customers this is a similar effort. But if you're an Orrville utility customer that ballot issue does not have any merit at all. And I will also kind of echo what's already been said is get out and vote. This is a very important year for our utility and some of the decisions that are going to be made tomorrow can have some pretty important impacts on our Utility going forward. And that concludes my report.

D. Finance Director Strimlan: Thank you, Mr. President. Hopefully all of you have had an opportunity to read the memo Mr. Wheeler forward from the Ohio Municipal League concerning the legislation that was introduced last week that the Mayor referred to HB 601 that alters municipal income tax and also the administration practices of that. Discussions regarding this have been going on for some time now as representatives look to make local income tax more uniform and less of a burden on businesses. Some of the items that are contained in that bill that will have a impact on us are increasing the occasional entry rule from 12 to 20 days, uniforming fees for penalties and deadlines, third party sick pay treatment, don't misunderstand me, uniformity is welcome by us and some of the proposed changes are not troublesome at all for us. They'd have a minor impact on our revenues. But the most disturbing content of the bill is the mandate related to the net operating loss carry forwards. That allows companies to carry over financial loss into a profitable year. The legislative proposal is current content mandates a net operating loss carry forward for five years. We're not alone in allowing NOL. Currently 170 municipalities have zero NOL, 60 have a policy of less than five year. If you remember back in May of this year I sent a memo estimating what the potential losses would be if we would have that same mandate in place or if it were imposed from 2006 to 2009 we could have experienced revenue decreases from a low of \$420,000 in one year to a high of \$620,000 with an average loss of about \$464,000 per year. So that could have a pretty serious impact on our revenue stream. We're going to continue to monitor the progress of the hearings. The chairman of the committee has made no definite plans for the timing of the completion of those in fact he's made it clear that he wants to give everyone the opportunity to weigh in and he wants to look at all the potential impacts. With that in mind, at the next Council meeting, we'd like to ask you to adopt legislation letting the State know that we'd be opposed to moving forward with any bill that has NOL carry forward language due to impact that it would have on our revenues at a time when we've already seen significant reductions in our revenues as the Mayor indicated earlier in the form of the local government funding where we've already seen a reduction of \$165,000 as of 2013; the elimination of the estate tax next year which will amount to approximately an average loss of \$165,000; the accelerated phase-out of the tangible personal property

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which in recent years was about \$85,000; and lastly if you recall our investment interest earnings has declined over the last several years by approximately \$700,000. So again if you have any questions I'd really encourage you to give the Mayor, Mr. Wheeler or myself a call and we'll get a copy of that proposed legislation out to you prior to the next Council meeting if you have any input on that. Also as Mr. Miller indicated we do have some appropriation changes on the agenda tonight and I'll discuss those when that comes up. And I did distribute the Fund Balance Report for the period ending September 2012 and I'd ask for motion to approve that report subject to audit. Miller moved and Corfman seconded. Roll call vote. All ayes. Motion carried.

Strimlan: That's all I have this evening.

E. Law Director Kirkbride: No report today. Thank you.

F. Council President Baker: For my report this evening our clerk has multiple street vacations to announce.

Gault: We have a request from the City of Orrville and J.M. Smucker Company to vacate Arch Street that needs to be referred to Planning. We have a request from the City of Orrville and J.M. Smucker Company to vacate Strawberry Lane that needs to be referred to Planning. We have a request from J.M. Smucker Company to vacate a portion of N. Mill Street that needs to be referred to Planning. And we have a request from Tucker Packing and J.M. Smucker Company to vacate a portion of N. Mill that needs to be referred to Planning.

Baker: We will now move to Old Business for this evening. Ms. Leathers.

Old Business:

Leathers moved that Resolution 31-12 be placed on third reading. Vance seconded. Roll call vote. All ayes. Motion carried.

RESOLUTION 31-12, A RESOLUTION ACCEPTING THE ORRVILLE COMPREHENSIVE PLAN NOW ON FILE WITH THE SAFETY-SERVICE DIRECTOR.

Wheeler: Mr. President, if I could. Obviously this came to third reading with us having a public hearing at the last meeting. I don't have anything additional to add in regards to the content of the plan. I did want to thank the steering committee, Council, members of the public that attended, staff members, and of course Mackin Engineering and E.G. & G. Engineering for all their hard work on the project that actually the first meeting was held September 1, 2011. So this has not been a short process, it's been a long process and I'm proud of those that participated in the process and what we have as the end vision if you will for the next 10 years for the City.

Baker: Thank you. Any other comments? No.

Leathers moved that Resolution 31-12 be adopted as read. Hamsher seconded. Roll call vote. All ayes. Motion carried.

Leathers: That concludes tonight's old business, sir.

Baker: Thank you. Let's move to new business please.

New Business:

Leathers moved that Resolution 33-12 be place on first reading. Corfman seconded. Roll call vote. All ayes. Motion carried.

RESOLUTION 33-12, A RESOLUTION AUTHORIZING THE BOARD OF CONTROL TO ENTER INTO A

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PURCHASE CONTRACT AND/OR CONTRACTS OR TO ADVERTISE FOR BIDS FOR THE PURCHASE OF ONE (1) 2012 ASPHALT CRACK SEAL MELTER/APPLICATOR, AND DECLARING AN EMERGENCY.

Wheeler: Thank you, Mr. President. As I mentioned in the memo to you, this is a machine that was purchased and I actually gave you the wrong date in that memo. It was purchased in 1987. So we've gotten a good 25 years out of the machine. It's been beneficial to us in our long-term maintenance of the roads but we are ready for a new one, I believe. There are several issues with the current one. They've sort of band-aided it to get through over the last few years and I think it will be helpful to us to replace that one. And hopefully the new one will last 25 years as well. I do believe that we'll end up getting one through State contract but we obviously will give local vendors and opportunity to beat that price but it is a very competitive price. We will be able to do it definitely within the budgeted amount of \$40,000 which is budgeted in the Capital project list for this year.

Leathers moved that the rules, regulations, and statutes requiring a reading of a resolution on three separate days be suspended. Aspiras seconded. Roll call vote. All ayes. Motion carried.

Leathers moved that Resolution 33-12 be adopted as read. Corfman seconded. Roll call vote. All ayes. Motion carried.

Leathers moved that Resolution 34-12 be place on first reading. Corfman seconded. Roll call vote. All ayes. Motion carried.

RESOLUTION 34-12, A RESOLUTION TO ACCEPT THE RECOMMENDATIONS OF THE ORRVILLE TAX INCENTIVE REVIEW COUNCIL REGARDING TAX ABATEMENTS FOR COMPANIES LOCATED IN THE CITY OF ORRVILLE.

Wheeler: The Tax Incentive Review Council did meet last week. They did review all the agreements and actually toured Orrvilon as well as part of that process. All the industries and CRA residences as well were in compliance with the abatement requirements. This is an annual resolution where we review the agreements, review the compliance, and meet with all the various industries and any commercial CRA's as well as part of that process.

Leathers moved that the rules, regulations, and statutes requiring a reading of a resolution on three separate days be suspended. Corfman seconded. Roll call vote. All ayes. Motion carried.

Leathers moved that Resolution 34-12 be adopted as read. Aspiras seconded. Roll call vote. All ayes. Motion carried.

Leathers moved that Resolution 35-12 be place on first reading. Corfman seconded. Roll call vote. All ayes. Motion carried.

RESOLUTION 35-12, A RESOLUTION AUTHORIZING THE SAFETY-SERVICE DIRECTOR TO ENTER INTO AGREEMENT(S) WITH THE WAYNE COUNTY COMMISSIONERS TO PARTICIPATE IN THE MOVING OHIO FORWARD GRANT PROGRAM, AND DECLARING AN EMERGENCY.

Wheeler: Thank you, Mr. President. This is obviously as the resolution states an agreement with Wayne County simply to be a participant in the Moving Ohio Forward Grant program with Wayne County which is the lead agency on this project. It's really just a document that Wayne County requested; one, to clarify who is authorized to sign any agreements, but two, to sort of make it clear that Wayne County is not going to be financially obligated to any property purchases or anything like that. I would almost call it a legal resolution, a resolution that Wayne County requested to protect themselves in this partnership. As the resolution states, there is \$426,000 available. It is for demolition only. The City is actively looking at and has identified some properties in Orrville that will meet the requirements of the program. Like any other

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Federal program, it does have fairly stringent requirements in order to be eligible for the program and I would request of Council as well as any members of the public if you have any that you're aware of that you think would qualify for the program let us know and we will definitely take a look at them. I won't claim that we've seen everyone out there so if you see any that we may have missed by all means let us know. We do have a short list that we're looking at right now that do meet the requirements that I think would be beneficial to participate in the program.

Aspiras: Thank you, Mr. President. Mr. Wheeler, if we pass this resolution and we're unable to obtain property for demolition is there any risk in doing that? If we're into a contract do we have to pay a penalty or anything like that?

Wheeler: No. Actually the money is there and available for the whole county. To be very honest with you, if we don't identify any, which I still very confident that we will, if we don't someone else will use the money. I am very sure of that. I know City of Wooster has done a very good job of sort of attacking some of their blighted properties. And they've done it under the property maintenance code. We're looking at that opportunity as well to work on that. We don't have to necessarily have ownership of the property. It has to be obviously blighted and it also has to meet the property maintenance code requirements in order to be considered for demolition. So there are some that we're looking at from that aspect and not only from an acquisition standpoint.

Hamsher: Thank you, Mr. President. Mr. Wheeler, about how many are on the short list that we've kind of looked at thus far.

Wheeler: I would say easily we can identify three or four. I think it's very possible that up to a half a dozen we will find. Of those acquisition wise there may be one or two. The majority of them are either historically property maintenance issues or those that have quickly deteriorated into property maintenance issues.

Baker: Mr. Wheeler, if a property is identified that the City does not own, does the owner have to agree to this?

Wheeler: There is a process in place that the City clearly has identified in our ordinances in regards to that process. The Health Department would have to get involved. The Fire Chief would have to get involved. It's a stringent process where the property owner does not have to be agreeable to it but we obviously use that as last resort for properties that we simply have not been able to get the property owner to address the issues. It's a very real safety or health issue for that neighborhood.

Vance: But Mr. Wheeler, the revised code you're referring to is applicable already? It's already on the books?

Wheeler: Yes, sir.

Vance: It has nothing to do with this agreement?

Wheeler: That is correct. This agreement is simply a side program that is available whereas in previous years if we would acquire property that way and decide to demolish it it would have been with City funds. Now this program is able to provide those funds for us.

Vance: Thank you.

Wheeler: And I may have said a Federal program, I believe it's actually a State program in this particular case.

Leathers moved that the rules, regulations, and statutes requiring a reading of a resolution on three separate days be suspended. Hamsher seconded. Roll call vote. All ayes. Motion carried.

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Leathers moved that Resolution 35-12 be adopted as read. Corfman seconded. Roll call vote. All ayes. Motion carried.

Leathers moved that Resolution 36-12 be place on first reading. Miller seconded. Roll call vote. All ayes. Motion carried.

RESOLUTION 36-12, A RESOLUTION TO MAKE APPROPRIATIONS FOR CURRENT EXPENSES AND OTHER EXPENDITURES OF THE CITY OF ORRVILLE, STATE OF OHIO, DURING THE FISCAL YEAR ENDING DECEMBER 31, 2012, AND DECLARING AN EMERGENCY.

Strimlan: Thank you, Mr. President. I outlined the appropriation changes to you in my memo last week. The majority of these changes are being driven by an increase in our health care costs. If you recall when we prepared our final appropriations earlier in the year we indicated if there was one area that may need to be amended it would probably be this one because of the trending that we are seeing in this area. Unfortunately it does need amended due to some higher than usual claims and several individuals reaching their specific stop-loss. Other changes to the appropriations include a change in the capital fund for some payroll expenses which was offset by a reduction in the contractual expenses. As you know it's always advantageous for us to use our own labor where possible to save on contractor expense. We also modified the flexible spending account that's funded by our employees to reflect the current expenditure level. The Guarantee Deposit Trust Fund was also modified to reflect our current deposit returns from our Utilities. The legislation doesn't have to be passed tonight if you'd like to review it more detail with me at a later time. And that's all I have.

Leathers moved that the rules, regulations, and statutes requiring a reading of a resolution on three separate days be suspended. Hamsher seconded. Roll call vote. All ayes. Motion carried.

Leathers moved that Resolution 36-12 be adopted as read. Miller seconded. Roll call vote. All ayes. Motion carried.

Leathers moved that Ordinance O-12 be place on first reading. Corfman seconded. Roll call vote. All ayes. Motion carried.

ORDINANCE O-12, AN ORDINANCE CHANGING THE NAME OF ENTERPRISE DRIVE AS IT RUNS EAST AND WEST BETWEEN DAIRY LANE AND COMMERCE DRIVE IN THE CITY OF ORRVILLE, COUNTY OF WAYNE, STATE OF OHIO, TO VENTURE DRIVE.

Wheeler: Thank you, Mr. President. This is obviously just a simple name change for a street in the new Industrial Park. At this time there is currently only one business there which is currently under construction which is Ventrac. It does require a public hearing. I would request that the public hearing be scheduled for the next Council meeting on November 19 and at that point obviously any adjacent properties would be able to comment on that. Ventrac obviously is actually nearing moving into that building believe it or not and so they're hopeful that the process can move as quickly as possible so that street signs can get up and so that anyone that is doing any deliveries there will be able to find them. That's sort of the process at this point.

Shupp: I just wondered are there any naming rights monies in it for us?

Wheeler: Well, I guess the monies that were in it were the actual selling of that parcel of property.

Shupp: Oh, I know.

(Laughter throughout the room)

Hamsher: Thank you, Mr. President. Will there be any, with all the deliveries, will there be any GPS kind of changeover. Will that take a long time to do?

Wheeler: Well to be very honest with you because it's so new there, I don't think there will be any more hiccups than there probably already are in that regard. We'll of course notify the Wayne County and let

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them know. Typically then when they input it, we'll keep an eye on that as well and I'm sure Ventrac will as well. It's obviously important that folks are able to find them for their deliveries.

Hamsher: Thank you.

Leathers: That concludes tonight's new business, sir.

Wheeler: Cheryl, do we need a motion on the Public Hearing?

Kirkbride: I think we do.

Leathers: I move we have the public hearing in regards to Ordinance O-12 at the next Council meeting on November 19, prior to Council's meeting. Seconded by Vance. Roll call vote. All ayes. Motion carried.

Leathers: Now that concludes tonight's new business.

Good of the Order:

Leathers: Please remember to vote tomorrow.

Leathers moved to adjourn the council meeting and Corfman seconded. Roll call vote. Ayes all. Motion carried. Council was adjourned at 8:11 p.m.

Jeanne Gault, Clerk of Council

Date

Lyle Baker, President of Council