

Regular/Public

January 19, 2010

President Baker called the regular meeting to order.

Jane Disbury of Trinity United Methodist Church offered the prayer. The Pledge was recited by all.

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

Mr. Baker asked for a motion to appoint the Clerk of Council.

Leathers moved and Miller seconded to appoint Tamra Peppard as Clerk of Council without term.

Roll call vote. Ayes all. Motion carried.

Corfman moved and Aspiras seconded that the minutes of the January 4, 2010 regular meeting be approved as amended. Roll call vote. Ayes all. Motion carried.

Public Comment: None.

Standing Committee Reports:

A. Finance – Mr. Miller had no report.

B. Utilities – Mr. Vance was absent.

C. Health & Safety – Mr. Corfman had no report

D. Parks and Recreation – Mr. Aspiras reported there will be a committee meeting on January 25th immediately following the Utility Board meeting. The topics for discussion will be further discussions on the possibility of a dog park here in the Orrville city limits and I really haven't touched base with Mr. Wheeler, but if he is prepared we will also talk about extended pool hours.

E. Transportation – Mr. Shupp had no report.

F. Planning – Mr. Hamsher had no report.

G. Ordinance & Personnel – Ms. Leathers had no report.

Special Committee Reports: None.

Administrative Reports:

A. Mayor - Mayor Handwerk was absent, but asked Mr. Baker to request a motion to appoint Mike Hamsher to the Design Review Board. Corfman moved and Aspiras seconded the appointment of Mike Hamsher to the Design Review Board. Roll call vote. Ayes all except Hamsher abstained. Motion carried.

Wheeler: I have an additional report from the Mayor. The January Employee of the Month is our 2009 Firefighter of the Year Ryan May. Ryan received the high honor at the annual Orrville Firefighter's Association banquet in December. Ryan has been interested in being a firefighter since he was a young boy when he would visit the fire station with his father, a former Orrville firefighter. He had spot through a severe ankle injury that occurred in October 2000 and continued to be a very enthusiastic member of our department. Ryan is employed at Schantz Organ Company, the same place our first employee of the month in 2008, Craig Hostetler, works. Congratulations to Ryan and he chose to have lunch at Jerry's. Also, Mr. Rick Helmuth has decided to step down from his position

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on the Wayne County Board of Health. Rick served in that position since 1996 and we sincerely thank him for that service. Tim VanSickle has been appointed by the Mayor to fill that position and will begin immediately to finish this term for Rick this year and can be re-appointed to a full three year term next year.

B. Safety Service Director- Director Wheeler had no report.

C. Utilities Director – Director Brediger was absent.

D. Finance Director – Director Strimlan reported the Quarterly Investment Report for the last quarter of 2009 was distributed prior to tonight's council meeting. This does not require any action from Council, but as a part of our Investment Policy we are required to distribute that each quarter. After you have had a chance to review it, if you have any questions, feel free to call my office and I can talk to you about those. I also distributed the Fund Balance Report for the period ending 12/31/09. This does cover all of 2009. These are the numbers that will be reflected in our year end closing and audit papers. This report does require a motion from Council to approve it subject to audit. Miller moved and Hamsher seconded the Fund Balance Report be approved subject to audit. Roll call vote. Ayes all. Motion carried.

E. Law Director - Director Lutz had no report.

F. President of Council – President Baker reminded the people that during the time we are in right now with the weather the way that it is, sometimes you may be surprised as I was this morning when I got up and the street looked mighty fine out there until I walked down my driveway and almost slide half way down. So be very careful. Sometimes the ice will sneak up on you. I do want to thank our City workers though as I was driving to work after sliding down my driveway I did see the salt trucks out.

Old Business:

RESOLUTION 39-09

Leathers moved and Aspiras seconded that Resolution 39-09, a resolution authorizing the Director of Utilities to execute power sales contracts with American Municipal Power, Inc. and take other actions in connection therewith, regarding Meldahl and Greenup Hydroelectric project participation, and declaring an emergency, be placed on third reading. Roll call vote. Ayes all. Motion carried.

Shupp: I would like to ask Director Strimlan since you are the Finance Director, this project was going to cost about \$39,000,000 if we got the seven megawatts. We were going to cover this over 35 years, correct? Do you have any number of what our outlay per year will be?

Strimlan: I do not because that will depend on the bond issuance and what percentage interest rate those are taken to market for. I can check with AMP and see what they are anticipating and get back to you on that if you would like.

Shupp: It is probably a little late for this question, but I didn't think to ask it earlier. You wouldn't have any idea what we can get on the market for this seven megawatts per year for cost return.

Strimlan: If we would purchase the power outright?

Shupp: If we get the seven megawatts, selling price for cost towards the debt we are going to have.

Strimlan: No I would not.

Aspiras: I just wanted to inform everyone that we did have the hydro workshop on January 11th. It was quite a lengthy workshop. I know Mr. Brediger is not here, but in fairness to him we did have a workshop held last Monday with indepth discussion on the hydro project and this piece of legislation. Leathers moved and Hamsher seconded that Resolution 39-09 be adopted as read. Roll call vote. Ayes all. Motion carried

New Business:

RESOLUTION 2-10

Leathers moved and Aspiras seconded that Resolution 2-10, a resolution authorizing the Safety-Service Director to enter into a contract and/or contracts to provide a Job Creation Income Tax

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Credit for Orrvilon, Inc. and its subsidiaries and declaring an emergency, be placed on first reading. Roll call vote. Ayes all. Motion carried.

Wheeler: This job creation tax credit is for 200 jobs to be created over the next 36 months by Orrvilon which I think most of us know as Holtec. The annual estimated payroll is \$6,976,000 of which the 1% income tax would create \$69,760 with the job creation tax credit of 10% for six years it equals about \$697,000 per year for a total of \$41,856 over the six year period. Of course the condition of the credit is that Orrvilon must agree to remain in business an additional year for every year so a 12 year period. These terms are the same that have already been approved by the Ohio Department of Development on the State side.

Miller: I didn't catch how many jobs are being created.

Wheeler: This agreement is for 200 new jobs.

Aspiras: On this piece of legislation the agreement with Orrvilon, is there a minimum job retention?

Wheeler: They have to retain the 200 jobs and we do have the Tax Incentive Review Council which reviews their updates in regards to where they are at and of course they also make a recommendation to Council whether or not to continue the agreement, or modify, or rescind. You will be updated annually on their progress and where they are at in regards to whether they are meeting their minimum requirements, but we fully expect they will.

Aspiras: So we will at least get a snap shot every year?

Wheeler: Yes sir.

Shupp: Did you mention what the average salary per year is?

Wheeler: That comes out to about \$32,000 per year.

Corfman: The explanation of this is 200 new, that doesn't include what gets transferred in.

Wheeler: Actually all of the 200 are new to the City of Orrville so those would include any kind of transfers from other locations. At this point they expect about 100 transfers from their location in Mt. Eaton and there is some potential for some additional from their location in Youngstown.

Corfman: As this normally is, the State income tax credit is contingent on us passing the local?

Wheeler: Absolutely and vice versa.

Aspiras: The tax abatement we had for real estate and properties we passed that in November for this same company. In that the zoning agreement had some requirements in there. One of them was that the company would hire 50 new employees for that tax abatement. Is that separate from this piece of legislation regardless of what happens there.

Wheeler: Yes. That agreement is separate though I don't foresee any problems on that agreement as well. I know there is some construction dates in there required as well that it be completed by May and that is still on schedule. In fact, they will probably beat that schedule.

Aspiras: There was also a requirement of a 72,000 square foot addition. I believe they have exceeded that?

Wheeler: Yes. The plans are going to be closer to 80,000. Most likely what they will do is when they come in for their first Tax Incentive Review Council meeting, they will request a modification to that agreement to reflect the change in the building size.

Aspiras: I just have one last question. I have had a few citizens ask me this question. The application process; is there any update to that as far as people applying to Holtec.

Wheeler: Yes. What they are recommending at this point since they are not established here in the City of Orrville quite yet is that you either send your resume to Dundee, Ohio location which is 9368 Massillon Road or you can go to Holtec directly in Mt. Eaton which is on State Route 241. Those are your two best ways to do that at this time. When they get closer to being operational here in Orrville, most likely you will have an opportunity to come to the location here.

Hamsher: Is there a target date they will open doors?

Wheeler: Yes. Their idea was with the May date was to be open by that May date and I fully expect at this point that they will be there.

Aspiras: This was declared an emergency, does this have to be passed tonight?

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Wheeler: It does not necessarily have to be passed on first reading. If you are more comfortable passing it at a later date, that is fine. Of course, it is one of those things that ultimately we need to have passed and it is another step in getting them here.

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

Leathers moved and Hamsher seconded that Resolution 2-10 be adopted as read. Roll call vote. Ayes all, except Shupp. Motion carried.

Good of the Order:

Aspiras: I just have one more question for Mr. Wheeler. As far as the J&J Refuse service, could you just give us an update.

Wheeler: They have actually collected twice since the last meeting. Of course initially there were a few calls. They happened to start on that Thursday when there was just an absolute blizzard which caused them some problems and they weren't actually able to complete their route that particular day so they picked back up Friday morning. To be honest with you, we have received just a few calls each week. Overall the feedback has been pretty good. If you have concerns, by all means give us a call at the Safety Service Department. They have been very willing to work with us and they have given 110%. If you have any issues, need recycle containers, or anything like that give us a call. They have been very cooperative.

Leathers moved and Aspiras seconded that the council meeting be adjourned. Ayes all. Motion carried. Council was adjourned at 7:50p.m.

Tamra Peppard, Clerk of Council

Date

Lyle Baker, President of Council