

Regular/Public

May 7, 2012

President Baker called the regular meeting to order.

Pastor Sara Barber Orrville Baptist Church offered the prayer. The Pledge was recited by all.

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

Corfman moved and Hamsher seconded that the minutes of the April 16, 2012, regular meeting be approved as submitted. Roll call vote. All ayes. Motion carried.

**Public Comment:** None.

**Standing Committee Reports:**

A. Finance – Mr. Miller had no report.

B. Utilities – Mr. Vance had no report.

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

D. Parks and Recreation – Mr. Aspiras had two dates as Mr. Wheeler mentioned at the last council meeting, the Orr Pool will be opening this June 2, that's a Saturday. And the Orrville Celebration week, the 4<sup>th</sup> of July Celebration week, will be kicking off on July 3<sup>rd</sup>, that's a Tuesday, kickoff with the parade. The carnival will be coming to town, of course. And it will end on Saturday with the Orrville fireworks. Obviously more to come as we get closer to that but for those folks that like to plan ahead of time, those are the dates.

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 announced the employee of the month for May is Mike Chereson from the Orrville Fire Department. In 2011, Mike had a severe case of pneumonia which really changed his life quite a bit and was laid up for quite a while and his fellow fire fighters actually got behind him and finished remodeling some things at the house that he was working on. And later in 2011, he was chosen as Firefighter of the Year. I have some comments that Chief Ballentine had made actually in Mr. Locher's article about him earlier in the year. In the nomination form the OFFA submitted to the Orrville Area Chamber of Commerce for Chereson's recognition, firefighters said, "Mike is always a guy you can depend on whenever he is on call. He makes every effort to make it to calls, and has even been known to run to the station on foot from his home. Mike is the type of firefighter that never questions the task he is given; he just digs in and gets it done the correct way. Ballentine calls Chereson "a good asset" to

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the department. "If you give him a job to do, you don't have to worry about going back and making sure it's done right." Ballentine said he believes Chereson has "learned the lesson of what a 'brother firefighter' is in a way he'll never forget," referring to his illness earlier in the year. And as Firefighter of the Year, Chereson and his family will lead Orrville's annual Independence Day Parade during the City's gala 4<sup>th</sup> of July celebration coming up as Mr. Aspiras just mentioned.

B. Safety Service Director- Director Wheeler as Mr. Aspiras mentioned, the pool does open this year Saturday, June 2, and does close Friday, August 17. We will actually do a pre-sale of season passes Thursday, May 17, at Heartland Point from 5pm until 8pm. Feel free to stop in if you have any questions or would like to pick up your passes early. This year we will have four Family Fun Movie Nights at Orr Park. The four movies are June 8, Disney's Cars 2, rated G. I feel like I should do this in a deep movie voice but I don't have one. June 29<sup>th</sup> is A Dolphin Tale, rated PG and that is sponsored by Orrville Utilities. Disney's Cars 2 is sponsored by the J.M. Smucker Company. July 20<sup>th</sup> is Smurfs, rated PG, sponsored by Armstrong Cable. And August 3<sup>rd</sup> is Disney's the Muppets, rated PG, sponsored by The Hummel Group. And we'd like to thank all those again for their support. Those four have supported us since the program actually started a few years ago. So we thank them again and hope to see families and kids and teenagers and everyone out for the movies. And that's my report for this evening.

C. Utilities Director – Director Brediger announced a couple of informational items. First one is coming from our State association AMP. Recently the Board of Trustees and the management team of AMP Ohio gathered together to recognize former director Bob Nichols at their Wall of Fame. I've got a statement I want to read here that the President and CEO of AMP read at the ceremony. It says the AMP Wall of Fame is a tribute to the individuals who through their dedication have supported AMP and public power region. The AMP Wall of Fame recognizes key drivers in the organization's success. These individuals are the embodiment of the values and principles that are hallmarks of public power. Their dedication and passion and business insight deserve special recognition. Bob was one of five honorees that was awarded this recognition at a special meeting. There was a plaque that also accompanied this ceremony. I would like to read a little bit about what was on the plaque. Robert, Bob Nichols was a long time member of the then AMP-Ohio Board of Trustees and OMEA Board of Directors, serving as the AMP-Ohio Board President in 1978. He was Utilities Director for the City of Orrville working for a public power community for nearly 20 years. Recognized by his colleagues for his dedication to public power and strong industry knowledge, Bob worked tirelessly to protect Ohio's municipal electric systems and fought off attempts to undermine constitutional rights and customer base. His actions helped the organization secure the purchase of the Richard H. Gorsuch Generating Station, as a joint resource member for the AMP members. Bob's wife Charlene, his daughter Barbara, and former Director Dan Preising also attended the event. Bob began his career with Orrville Utilities as the Electric Utility Manager in 1975. And served as our Utility Director from 1977 to 1994 when he retired. Bob passed away in 2003. Bob had some good vision. He was a strong advocate for local control, was very protective of our utilities and is very truly of this recognition. So I just wanted to make that known what some of our former City folks have done over the years. Update on our energy efficiency program. Some of our customers; residential, industrial and commercial customers, may be contacted by a company to do some verification of the energy efficiency program. This is a mandated portion from the program that will help confirm the kilowatt hour savings that our customers, industrial and commercial customers have been enjoying since the plans been in conception for the first couple of years. Last thing, out of Columbus, on May 15<sup>th</sup>, just a second reminder, last reminder, that we will be traveling down to AMP for a Legislative Day. Senator Bill Beagle and Representative Kristina Roegner will be speaking at that presentation as well as receiving some updates from AMP on what's going on at the State level. If any

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council members are interested in attending that just let our office know. We will be leaving around noon for that. The last piece of information comes from our National Association American Public Power Association and our Electric Distribution Department was honored recently up in Cleveland for their RP3 program. This program designation recognizes public power utilities that demonstrate proficiency in four key disciplines: reliability, safety, workforce development, and system improvement. Criteria within these categories are based on sound business practices and represent a utility-wide commitment to safe and reliable delivery of electricity. Only 176 of APPA's over 2000 members receive this rating every year. Dick Smith our Distribution Superintendent and his crew do some commendable work. This is the third time Orrville Utilities has received this award and we have to reapply for this every two years. So that too is a great honor. It takes a tremendous amount of effort to not only do what normally gets done on the day-to-day basis but to excel in a lot of these areas a little bit above and beyond. We match our statistics up against the large investor-owned utilities as one of the measuring sticks on this. This reinforces what a lot of our customers already know but this was a very nice national tribute on our utility crews we have. With that, that's all the comments I have this evening, sir.

D. Finance Director – Director Strimlan reported that our audit with the State of Ohio is continuing according to schedule. I would expect that the closing meeting will be scheduled in June as it normally and you'll all receive your invitation from the Auditor's Office in your email. And that's all I have this evening.

Vance: If I may ask the Finance Director, at our last meeting we voted to change the split from the General Fund to the Capital Improvement Fund from 80/20 to 75/25, which means that the General Fund will be drawn down at over a million dollars over the next four years. So we'll need to be watching the fund very carefully. We also noticed, and there was some chatter here among council members, that the General Fund increased by \$250,000 in the first quarter. That seems like a sizeable jump but I wanted to ask you, does that mean revenues are ahead of projections?

Strimlan: I would expect that the General Fund would see an increase at this time of the year. Our expenses and to some extent our revenues are cyclical in nature. And even more so this year because of the mild winter that we had. We didn't see as much in the way of overtime for plowing, salting, we also didn't have the large expenditures for road salt that we sometimes can experience. On the revenue side, we had, typically at this time of the year, average or above average revenues that come in. And then what can happen through the rest of the year or particularly in the summer months, we'll see below average revenues that can come in. And on the flip side of that the expenditures will escalate when we bring in our seasonal or summer help for the pools, and the parks, and maintenance in those areas. And so I would like to see the reserve build up in the General Fund now and then it will again level out during those months when our expenditures increase. That's what we like to see at this time of year.

Vance: Thank you.

E. Law Director - Director Van Sickle had no report.

F. President of Council – Comment for our citizens, the weather is starting to warm up. And a couple things happen when the weather warms up. First of all, this time of the year, our young people are playing baseball not only organized leagues but many of them are out in their front yard throwing a ball back and forth so if you're a driver, be careful. Keep an eye on the sides of the road because not all of those kids are excellent baseball players and they may miss that ball and then they'll run out into the street in front of your car and we don't want to have any of them injured. So keep that in mind. Enjoy the warm weather. I am and we get a little bit of rain to go along with it but that's to be expected. We have no Old Business this evening so we'll move to our new business.

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**New Business:**

Leathers moved that Resolution 11-12 be placed on first reading. Aspiras seconded. Roll call vote. All ayes. Motion carried.

RESOLUTION 11-12, A RESOLUTION TO ACCEPT THE RECOMMENDATIONS OF THE WAYNE COUNTY TAX INCENTIVE REVIEW COUNCIL REGARDING TAX ABATEMENTS FOR COMPANIES LOCATED IN THE CITY OF ORRVILLE, 1<sup>st</sup> reading.

Baker: Mr. Wheeler, any discussion?

Wheeler: Thank you, Mr. President. We have two abatements that are still with Wayne County, REFCOTEC, Inc., and Quality Castings Company, both companies have met the employment and project investment requirements of their respective agreements. Quality Casting's agreement does end December 31<sup>st</sup> of this year. REFCOTEC's ends December 31<sup>st</sup> of 2013. The Wayne County Tax Incentive Review Committee did meet last week; recommends continuance of the agreement and this Resolution does not need to be passed on first reading tonight.

Baker: Any questions? I see none.

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

Leathers moved that Resolution 11-12 be adopted as read. Vance seconded. Roll call vote. All ayes. Motion carried.

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

RESOLUTION 12-12, A RESOLUTION AUTHORIZING THE DIRECTOR OF SAFETY AND SERVICE TO ENTER INTO A CONTRACT TO PROVIDE FOR TAX ABATEMENT FOR REAL PROPERTY FOR SBF HOLDINGS, LLC DBA VENTURE PRODUCTS, INC. AND DECLARING AN EMERGENCY, 1<sup>st</sup> reading

Baker: Does anyone have comments for this? Mr. Wheeler.

Wheeler: Thank you, Mr. President. Hopefully Council received a copy of that agreement that I sent to you last week. It is a 15 year, 50% tax abatement for SBF Holdings, LLC, DBA Venture Products, Inc, to construct a 16,400 sq. ft. facility in our new Industrial Park. At an investment of \$2.5 to \$3.2 million dollars. A commitment of 33 new jobs with a new payroll of \$1, 029,600. 30% of the new hires will target Orrville addresses and they do agree to continue operations for a period of 30 years as a condition of the agreement and Dallas and Mark Steiner are both here tonight if you have any questions or would like more information from them in regards to the project.

Baker: Any one on council have questions?

Mayor Handwerk: I'd just like to say we are very excited about the project that Venture is getting ready to get started with and I know Mike Hedberg and Kristin Endsley have worked very closely with you folks to get everything in place and get ready to start and I'm sure not unhappy at all if it rains and the grass grows, right? People have to buy those mowers.

Mark Steiner: Mr. President and Council, we are very blessed to be here tonight and go through this opportunity. And of course, from Venture's standpoint, this is a big and exciting time for us. We are local

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people and it's good to be staying here local in town and we appreciate this opportunity and the considerations there. Thank you.

Vance: I just have a comment that I am sharing the enthusiasm of everybody else and I like the terms of this agreement especially the provision of hiring 30% of people with Orrville addresses and we appreciate that. We appreciate the time commitment, a 30 year commitment to fulfill the agreement and so a great addition to our local manufacturing base here in Orrville. And we just welcome you to the community. And we're very grateful for the work of the administration as well to help make these arrangements possible. Thank you very much.

Wheeler: One other thing that I want to note is that Orrville School Board did approve the agreement last week which is required in order for us to move forward.

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

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

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

Baker: It's a good things we're at the end of our meeting. I don't know that our clerk would go any farther. Anyone have any comments for the Good of the Order?

### **Good of the Order:**

Miller: Thank you, Mr. President. I just want to announce that Orrville Community Spring production is coming up. It's not this weekend but next weekend May 18<sup>th</sup> and 19<sup>th</sup> at 7pm and Sunday, May 20<sup>th</sup> a 5pm matinee at Orrville Baptist Church hall. We're a different venue this time. The play is called Off the Record. It's a very funny comedy about the newspaper business in New York City and also we're pleased to say that we have starring in this Andrew Knode, from Armstrong Cable, star of stage, screen, and television and Channel 4's Entertainment Picks. So please come out. See the show. It's a great show, very funny, good for the whole family. Tickets are only \$8. Can't beat it. Thank you.

Corfman: The man behind the camera is extremely funny. He is worth the time any afternoon you listen to Andy, he is a funny guy. He looks serious right now.

Shupp: Thank you, Mr. President. I don't know if this good to the order, I do have a question for Mr. Wheeler. I've read where the Federal Government is mandating a handicap lift for all public pools that will have to be stationary. We're going to have to be subject to that, correct?

Wheeler: There is no getting around that. That's a requirement of the ADA. The ramp that we currently have, it actually requires, for our size pool, it requires two separate methods. Our ramp that we currently have does meet one of those methods however we will be required to install the chair as the second method as well. Average price from what I am hearing is anywhere from \$8,000-\$12,000.

Shupp: Isn't there a pretty tight time frame on this situation also:

Wheeler: Yes, and we are working to that in with the contractors, as you would expect there's not many contractors and there's a lot of folks that need the work so we are going to do the best we can to meet the requirements. I believe that the ADA will, so long as we are moving forward, won't necessarily be at our front door the day that it's due to be done. But look for that to be done here in the next period of time.

Shupp: I think the first violation is a fine of \$22,000.

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Wheeler: Actually for municipalities, it is simply a written warning. Municipalities are not fined per se with a dollar amount at least the first time.

Shupp: Thank you, Mr. President.

Leathers moved to adjourn the council meeting and Hamsher seconded. Roll call vote. Ayes all. Motion carried. Council was adjourned at 7:54 PM.

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Jeanne Gault, Clerk of Council

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Date

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Lyle Baker, President of Council