

Regular/Public

March 4, 2013

Council President Baker called the regular meeting to order.

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

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

Aspiras moved and Hamsher seconded that the minutes of the February 19, 2013, regular meeting be accepted as documented. 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 their 2013 Final Appropriations books over the weekend. Tonight will be first reading on that and it will go three readings with the second reading being at a Special Meeting with Council next Thursday, the 14th of March and also at that time there will be a workshop with any questions that might pop up about that. And then of course third reading would be at the next Council meeting on the 18th on the Final Appropriations. There is some legislation on the docket that Director Strimlan will address when we get there and that's all I have.

B. Utilities – Mr. Vance: No report.

C. Health & Safety – Mr. Corfman: No report.

D. Parks and Recreation – Mr. Aspiras: No report.

E. Transportation – Mr. Shupp: No report.

F. Planning – Mr. Hamsher: Thank you, Mr. President. The Planning Committee met just prior to this meeting to discuss Main Street Orrville and hear a presentation by Darrin Wasniewski the director of Main Street Orrville, with several board members in attendance and in support. A lot of information was presented, useful handouts, so we're thankful for their time and to hear what they had to say.

G. Ordinance & Personnel – Ms. Leathers: Thank you, Mr. President. I do have one item this evening. We have a revision to our Council Rules under the Members Duties and Privileges Section D, Voting. Basically this is a housekeeping item in regards to abstentions and reconsidering motions. Council members have been apprised and reviewed this. I don't see a need for a committee meeting. It's just basically a housekeeping item. So I would move that we would change Council Rules as revised as distributed. Corfman seconded. Roll call vote. All ayes. Motion carried.

Special Committee Reports: None.

Regular/Public

March 4, 2013

Administrative Reports:

A. Mayor Handwerk: Thank you, Mr. President. I have two items tonight. One, just to inform you that our employee of the month for March is Cliff Leeder. And besides being a member of the great OHS Class of 1971, Cliff is a Water Plant Operator with over 12 years of experience. His job is to operate the water treatment plant and make sure that Orrville's water supply is safe to drink and meets all EPA requirements. Cliff has a great attitude and is always willing to help out wherever he is needed. In his spare time Cliff enjoys reading, fishing and target shooting. And we'll be eating lunch together tomorrow at Senor Panchos. Secondly I just wanted to inform Council and the public that we're excited at the City here to be taking part in a new marketing program. This is actually something that is made available to us through the National League of Cities. And I will read a little bit about that first. The National League of Cities offers a service to your cities and towns that provides unique video programming and to enhance your web site at no cost. The National League of Cities Community Showcase Video Program, administered by CGI Communications, Inc., will work with your city directly to add a variety of video features to the website that will showcase your city to visitors, communicate with residents and help attract and retain businesses. Some of the things that they will offer: Video TourBook. CGI Communications will meet directly with your city to produce several one-minute videos to showcase your city to visitors, residents and the business community. Typical videos include a message from the mayor and other officials and features on education, recreation, business, and industry, shopping, dining, education and other services. The videos are hosted by CGI Communications and are linked directly to your website and very accessible. Ms. Strimlan and I sat in on kind of a teleconference but we got to hear, listen and also watch on the computer, but they showed us some examples of some of the other ones that they had worked with, other cities. And it is very nice. You can check out the City of Evansville's Video TourBook if you wanted to look at one that would be one that they've done. And there are some others on there too. I can give you their website if you want that later. Additional services for the cities with the Video TourBook, the National Leagues of Cities Community Showcase Video Program offers additional service, the SmartCast Podcast and Avatar that provide even greater possibilities to communicate with target audiences. The SmartCast Podcast is featured on the Savings and Solutions page. About CGI Communications, Inc.: CGI has been the nation's premier municipal image marketing firm since 1988. For more than two decades, CGI has been a leader in providing cutting-edge tools and technologies to cities and their local businesses, allowing them to market themselves powerfully and effectively. We've actually already got the process started. They've asked for some information that we could provide them and Jenni Reusser was kind enough to send us a lot of the videos that they've collected over the past years of Chamber banquets, 4th of July Parades, all kinds of things. We sent a lot of that stuff to them and they will be meeting with us starting pretty soon, meeting wise I think they will be doing most of the video work this summer. They obviously like to do the work in your town in the summer when we've got flowers blooming and all that sort of thing, and your town looks the best. So we're real happy about this. The way they can do this at no cost, they will also have areas on our website that other businesses or industries can advertise and they will do a video for those businesses but the businesses will pay for their part of it. It must be successful because they've done it a number of other cities. They're working in several cities not too far from us now, Mansfield, Massillon, Barberton, were

Regular/Public

March 4, 2013

three that they mentioned. So that should be getting geared up here pretty soon. They also have a portion on the web site that is also for non-profit and those they do at no charge. So whether it's United Way, Boys and Girls Club, any of those non-profits will have their own video that they will do for them but they don't charge them to put that on there. We're excited to see that get started.

B. Safety Service Director Wheeler: Thank you, Mr. President. We are continuing to fill pot holes. If anyone is aware of any that maybe aren't on our list, please feel free to give us a call at 330-684-5060. To date we have used over 920 tons of salt this winter. Last winter we purchased just over 1,000 tons with several hundred tons left over after the mild winter. And we are prepared for the potential big storm that's scheduled to hit tomorrow. We urge everyone to be cautious when driving as we do expect up to 6-9". And that's my report for this evening.

C. Utilities Director Brediger: Thank you, Mr. President. Just a handful of informational items reported to Utility Board last week. The Electric utility received a 1st place Safety Award from American Public Power Association in our worker group. This covered about 76 employees. They have a little bit more stricter criteria than AMP does on their safety program and this pretty much kind of caps off our excellent year that the entire City had with respect to safety in 2012. Next week March 11-13, we are traveling to Washington D.C. for some face-to-face meetings with Senator Brown, Portman, and Rep. Renacci as well as receiving some updates coming from our National Association. It was reported a couple weeks ago at AMP Board Meeting that they did note that this past Congress was labeled as the most unproductive since 1948 when scholars first started to measure performance. We'll see how our efforts go here next week. Despite all that, it's still important that we do show up in Washington and meet with our elected officials and put a face back to our community and make sure they do know what our issues are despite some times of gridlock there. A few comments on the President's State of the Union address, if you recall his address, he did discuss a couple items pertaining to our industry. He talked about climate change and some upcoming policies that will be coming out to deal with that and cyber security which mainly could impact us from our energy resources that we have coming from the outside world. Within, we are pretty well protected because our systems are not networked in with other grids, not networked in with other utilities so our vulnerabilities are pretty much self-contained. But climate change will continue to be regulatory issues that our Utility will be facing going forward. They have already ruled out additional standards that are impacting existing electric generating facilities that is a continuing mantra coming from Washington. And the President did nominate a new EPA director to take the place of the director who retired recently. She is the former head of the air division. Pretty much went to the same schools and the former director so we don't see any real relief coming from that. That nomination process is a work in progress. From the State perspective we did learn that the PUCO has a new commission member and that person is a home rule friendly individual. There have been and there are commission members and there are some legislators down in Columbus that feels that the PUCO should have some oversight over municipality and co-op operations. Obviously we strongly oppose any of that kind of action. We did have some updates on the State budget. As you're aware the KWh tax was a subject of interest and that did escape the latest budget round. So it will be out for at least the next two years. Just some updates on where we stand on some of our projects, the Fremont, the natural gas plant that went into operation last July, continues to operate very well. We still

Regular/Public

March 4, 2013

are breaking performance records on that unit. One of the units does come down this spring for a major overhaul. Our Gorsuch project as you are aware, ended about a year and a half ago and that project is still in process of being demolished and that plant will be completely taken down and that land restored by early summer. For hydro projects, the construction is still working out real well on those projects. We do not have any major issues. The first of those four projects are scheduled to come on line in 2014. Our coal plant in Prairie State, the 1600MW that we have a 5MW share in is still struggling a little bit with some start up and operational issues with the various owner and third party operator are still getting to know each other and trying to sink into a culture and getting that operator to operate more like an owner than a third party. We will get there as a majority owner we'll still realize those benefits over the long haul. Our Blue Wind Creek Project, that's the project that we're just taking the energy out of only, had a couple of its best months in January and February. Those units operated at close to 50% of their capacity which is pretty high, for the first 6 month they only averaged about 36%. The energy coming from that is our cheapest energy resource. We only have 2MW in there but it is a very nice resource that we'll have with us for the next, little bit less than 11 years. We're still looking at the natural gas project that AMP and First Energy is looking at partnering with up in Eastlake. That project still has a lot of interest with us. We will be receiving the feasibility study and the due diligence report on that project later this week. And we'll be meeting with the board here soon to find out where our interest is, if any, in that project. If we do decide to move forward with that, we will have to have some agreements in place by June 5. So once a decision is made to go one way or another with that project, we'll have to step a little quickly on that. We're still evaluating some development opportunities with solar through the associations. There is still a disconnect with the economics. There still needs to be a lot of credits a lot of incentives and some other motivation to either swap or buy back some of the energy from these projects to make these projects viable from a customer's perspective. The board continues to look at those opportunities. We were approached by Smith Dairy last week in a board meeting to give some thought to a project that they are interested in and we're in the process of reviewing some technical data and we'll have some more discussions at the board level to see where our interest is in allowing those projects that are larger than what the customer needs and to see what kind of impact or benefits there could be on the utility in the long haul. With that, that concludes my report for tonight.

D. Finance Director Strimlan: Thank you, Mr. President. As Mr. Miller indicated, you should have all received your Final Appropriation Books for 2013 last week. As you'll notice there were some changes from the 2013 Budget that we prepared last June. On the Utilities side those changes you'll see are in the form of purchased power, coal, working capital transfer, specifically on the electric side, and we did make some payroll reallocations on the tax supported side. The major changes included some things to the grants funds for anticipated grants, we made some changes to the capital fund and also some changes to the health care fund. Just as a reminder again, that workshop will be next Thursday the 14th immediately following the Utility Board meeting. If you have any questions between now and then, feel free to call me or email me and I'll get back to you or we can discuss any questions you have. I do have some legislation on the agenda tonight and I can go over that when it comes up. I did also distribute the Fund Balance Report for the period ending January 31, 2013, and I would ask for a motion to approve that report subject to audit. Miller so moved. Vance seconded. Roll call vote. All ayes. Motion carried.

Regular/Public

March 4, 2013

E. Law Director Kirkbride: No report.

F. Council President Baker: For my report this evening. I have two items the first one is an application for Placement of Farmland in an Agricultural District. This is a renewal from Dorothy and William Shoup. If there is no objection, we'll need to have a motion to accept that. Aspiras moved. Shupp seconded. Roll call vote. All ayes. Motion carried. The second item is a new application for Placement of Farmland in an Agricultural District. This is from Shoup Investments and the location is along Schrock Road. This is a new one that would have to have approval. Vance: I have a question Mr. President. What criteria are we supposed to be using to make this determination? Baker: The only criteria I know of is if there have been any complaints and I don't know of any myself but I was just given this, this evening also. Wheeler: And obviously the property has to be used primarily as agriculture as well. Vance: Has this been reviewed by anyone? Wheeler: We have looked at the property as well as reviewed the applications and they meet the criteria. Vance: Okay. Baker: Any other questions? Leathers: I move we approve, sir. Corfman seconded. Roll call vote. All ayes. Motion carried.

Mayor: Just one item I forgot to mention and that was just to congratulate Coach Hamsher and Brad Potter for their trip to the State Wrestling tournament. Any time you get to tournament like that, you are the top 16 when you get down there, so that's quite an achievement in itself. And also the girls' basketball team as they became District Champs this past weekend and move on to Regionals this week, very good season so far for them too. Congratulations.

Old Business:

None

New Business:

Leathers, as a proud member of the Class of 1981 of Orrville High School, presented the following legislation.

Leathers moved that Resolution 6-13 be place on first reading. Corfman seconded. Roll call vote. All ayes. Motion carried. **RESOLUTION 6-13**, A RESOLUTION ACCEPTING THE PROPOSAL OF THE OHIO RAIL DEVELOPMENT COMMISSION (ORDC) AND NORFOLK SOUTHERN RAILWAY COMPANY (NS) FOR THE CLOSURE OF THE SCHROCK ROAD GRADE CROSSING IN THE CITY OF ORRVILLE, OHIO. Wheeler: This resolution is a result of a request from Norfolk Southern and the Ohio Railroad Development Commission to close the portion of Schrock Road adjacent to and just north of Scott's that crosses the Norfolk Southern railroad tracks. This section includes the stop sign at the intersection at Back Orrville and Schrock Road. They have made this request due to safety/visibility concerns at this intersection and there have been a number of accidents exiting that intersection. Norfolk Southern and Ohio Railroad Development Commission have offered \$20,000 to pay for any barricades and closure of the street and will also offset the costs of the improvement of the radius at the stop sign at Crown Hill. Part of this closure process does include a public input meeting which will be held this Thursday 6pm-8pm at Schmid Hall. We want to hear any citizen concerns at that open house. You can come anytime between 6 and 8. Residents will also have ten days to comment after Thursday's meeting if they are unable to

Regular/Public

March 4, 2013

attend. Scott's, Emergency Services, as well as Orrville Schools are all aware of this closure and have all approved the closure. I also have a diagram here. Crown Hill as it comes around the curve actually veers off this way. Schrock Road actually comes across here at Scotts. We're talking about the portion between Back Orrville and what is Crown Hill down here and the circle shows Norfolk Southern railroad railway tracks. So hopefully this is good information for folks that are watching it on TV. This is the first reading, public input meeting Thursday and we'll go from there. I'd be glad to answer any questions you might have. Vance: I know we'll get more information at the meeting but what kind of barricade or barrier that will be there? Wheeler: There will be a barrier that will be there. There will be temporary barricades. Obviously the goal is to improve that so that there isn't any doubt about where you're supposed to go. I was looking at it again today to see and still think trees or landscaping of some sort with some curbing there might be good but we are going to work on that portion. We will have to keep the other intersection open because that's a primary entranceway for truck traffic. So it will be a private drive at that point. We do plan for Scotts to take over that driveway then at that point as it will just go up to their driveway and be barricaded beyond that at that point but we want to make it very clearly defined in regards to that is not an area that has ingress and egress. Shupp: How extensive of work are we going to do on the Crown Hill and Back Massillon Road intersection? Wheeler: That intersection will be completely redone at that radius. Unfortunately there's a gully there and it looks like wetlands as well so we're going to stay out of that area obviously. It looks like we have about 7 or 8 feet to work with to really move it back so we're going to utilize all that space to improve that radius as much as possible. Shupp: Are we going to move on that as soon as the weather breaks, possibly? Wheeler: Absolutely, in fact, that's part of the process will be the timing of everything. I know the first thing that will be done when they get started on Schrock Road will be the removal of the crossing signs and the crossing signals and they will also remove their pavement in the Norfolk Southern easement area. So obviously that means the radius needs to be done prior to that work started so we'll have to get started on that as soon as the weather breaks for us.

Leathers moved that Resolution 7-13 be place on first reading. Miller seconded. Roll call vote. All ayes. Motion carried. **RESOLUTION 7-13**, 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, 2013, AND DECLARING AN EMERGENCY.

Strimlan: This will go the full three readings and again we'll have a workshop next Thursday.

Leathers moved that Resolution 8-13 be place on first reading. Corfman seconded. Roll call vote. All ayes. Motion carried. **RESOLUTION 8-13**, A RESOLUTION AUTHORIZING THE SAFETY-SERVICE DIRECTOR TO ENTER INTO A CONTRACT AND/OR CONTRACTS TO PURCHASE ONE (1) ACRE OF LAND FOR WETLAND MITIGATION CREDITS WITH THE U.S. ARMY CORPS OF ENGINEERS AND DECLARING AN EMERGENCY.

Wheeler: This purchase is actually part of the second phase of the Loop Road construction. We are in the

Regular/Public

March 4, 2013

midst of our Corp of Engineers permitting process. We do anticipate the construction will impact a half acre of wetlands and whenever you disturb wetlands the Corp of Engineers requires that you restore twice as much wetland as you disturb. This resolution permits us to purchase one acre of wetland credits from a mitigation bank. We will purchase the one acre from an approved mitigation bank which is in Pike County and their called Redstone Farm LLC. The cost for that acre is \$55,000. By doing it this way we pay for the preservation of that acre and never have any more interest in the property. The only other option is if you do not purchase from a mitigation bank is the purchase and oversight of your own wetland and obviously that maintenance and oversight is in perpetuity, which I don't think any of us want to get involved in wetland maintenance. This is unfortunately a normal part of the Corp of Engineer process when you're disturbing wetlands so this isn't anything a-typical. I know that other construction projects in town have had to do the same thing. This purchase is budgeted for in our final appropriations capital budget and it's also subject to the 60-40 ratio of the loop road agreement we have with the J.M.Smucker Company for reimbursement. And I've learned more about mitigation banks in the last few weeks then I ever thought I'd want to know.

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 8-13 be adopted as read. Corfman seconded. Roll call vote. All ayes. Motion carried.

Gault: The fiscal officer's certificate for Ordinance D-13 is on file.

Leathers moved that Ordinance D-13 be place on first reading. Miller seconded. Roll call vote. All ayes. Motion carried. **ORDINANCE NO. D-13**, AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF \$1,300,000 NOTES, IN ANTICIPATION OF THE ISSUANCE OF BONDS, FOR THE PURPOSE OF PAYING COSTS OF IMPROVING THE MUNICIPAL WATER SYSTEM BY THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS TO THAT SYSTEM INCLUDING, BUT NOT LIMITED TO, THE DEVELOPMENT OF A NEW WELL FIELD, EXTENDING RAW WATER MAINS TO THAT WELL FIELD, CONSTRUCTING A BUILDING AND A BOOSTER STATION IN CONNECTION THEREWITH AND IMPROVING THE SITE THEREOF, UPGRADING THE CONTROL SYSTEM AT THE WATER PLANT, INCREASING THE CAPACITY OF AND OTHERWISE IMPROVING AND UPGRADING EXISTING RAW WATER MAINS, INSTALLING ADDITIONAL PUMPING CAPACITY AND WATER MAINS, UPGRADING EXISTING WATER MAINS, AND OTHERWISE IMPROVING THAT SYSTEM, TOGETHER WITH ALL NECESSARY APPURTENANCES THERETO, AND DECLARING AN EMERGENCY.

Strimlan: Thank you Mr. President. This is the same note that Council has seen for many years. The note was originally issued in 2008 to finance all the Water Utility projects that Julie just read off. We roll the note over every year. Last year the note was issued for \$1.3 million. This year we are again issuing the note for \$1.3 million. Traditionally we do pay down \$100,000 each year on the debt. We are not required to do that to pay anything down at this time; however, this year we have decided that we won't do that traditional \$100,000 pay down. The reason for that, as you know, we are in the process of trying to refinance our water system refunding revenue bonds. There are still some unknowns associated with that cost of issuance depending on some of the decisions we'll be making with all of you in the next few meetings, what we have we'll go over those at the workshop, we'll go over those again at the Council meeting on the 18th so at this time we've declined to pay down on the notes to ensure that we have adequate reserves within our water utility. So next year we may double up on those principal payments to catch up even though it's not

Regular/Public

March 4, 2013

required of us, we don't have to begin to make principal pay downs until year 5. And again we have been paying down \$100,000 prior to this year. And again depending on the financial condition of the water utility next year when it comes time for the note rollover we may double up on that principal. Right now our priority is to refinance those water revenue bonds so that we can relieve the water utility of the debt covenants and also lower those interest rates that they are going to be experiencing in the coming years with the current bonds. The ordinance that you have before you provides for maturity of one year from the date of issuance. The interest rate has the parameters defined in section 2. The only other item that's different from the note that you approved last year, in Section 6, last year we had the option to offer the notes as an invest for the Treasury of the City or the Treasury of the Utilities. That option has been removed this year. So the only option the water utility has is to sell the notes in private placement or to take the notes to market, whichever will be more advantageous for the utility. Last year, you know we sold those to the county. They are interested again at purchasing this note from us at a lower interest rate. So we'll pursue that option if the ordinance is passed. It doesn't have to be passed tonight. We can roll over the note 90 days prior to the expiration, however, the sooner that you pass the ordinance the more time that we have to pursue the option with the County, if for some reason that doesn't work out we have that much more time and flexibility to pursue options with other private financial institutions or take the note to market whichever option we would pursue.

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

Leathers moved that Ordinance D-13 be adopted as read. Miller seconded. Roll call vote. All ayes. Motion carried.

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

Baker: Thank you. Next on our agenda is our annual report from the Service Department.

Service Department Annual Report by John Scott: (Copy on file in the Safety Service Department).

Vance: Are we using any additives in our salt this year?

Scott: We are not using additives in our salt, or have not as of yet. We do have a liquid calcium chloride. We have that system set up on our trucks with tanks. We have not had to use that as of yet. We are hoping we don't have to use that.

Wheeler: Will you explain to them when that's typically used, what type of weather conditions.

Scott: Calcium chloride is basically used when it gets below freezing and we get that layer on top of everything and the calcium chloride will go down and break that layer up, that solid layer of ice. The issue with calcium chloride is it does a real good job at that but as it dissolves it, it also comes back and causes what's called a black ice system so at one point you have to go back and put the salt back on it even if you used calcium chloride. Calcium Chloride works great but again it's like a double hit that we have to do that. A great product, just one of those things that we deal with by using it.

Regular/Public

March 4, 2013

Aspiras: Can you comment just a few comments on the Dog Park. Is it run according to plan as far the disposal bags and the public cleaning up. Are you seeing that? Is it a problem?

Scott: As far as the public cleaning it up, I would say we have had a number of problems with that. We try to maintain it and with the bags and places to clean it up. As far as the public doing a job as good as we would like, no. But we're the ones that have to clean it up. If you ask as an individual, no the public is not doing as good as it can. It is being used by all means. We have had a number of calls to actually clean the sidewalks through the wintertime so they could get their dogs out there and do that because the sidewalks even to there have ice on those. So I know it's being used. But again, as far as the public maintenance of it, it's one of those that we would like to see a little more of the public maintain it on their own.

Scott: Any other questions? Ok. Thank you.

Baker: Thank you for that report and we'll now move on to the good of the order.

Good of the Order:

Miller: Thank you, Mr. President. First of all I'd like to thank our community for supporting Orrville Community Theater's first youth theater production The Emperor's New Clothes over the weekend. We had two sold out shows that were totally put on by kids and it was really great and went well. My goodness I just happen to have with me some information, what a coincidence about our next production which is a community theater production called Anne of Green Gables a Classic Tale. It will be the weekends of March 15 and March 22nd so that's a week from Friday, the opening night on this show at the new Orrville Community Theater and we expect these to sell out as well. It's a very popular play with a terrific cast so you'll enjoy it. The number to call to reserve tickets is 330-604-8504. That's all I have sir.

Leathers: Good luck Lady Riders.

Leathers moved to adjourn the council meeting and Aspiras seconded. Roll call vote. Ayes all. Motion carried. Council was adjourned at 8:23 p.m.

Jeanne Gault, Clerk of Council

Date

Lyle Baker, President of Council