

## Regular/Public

May 5, 2014

Council President Baker called the regular meeting to order and offered the prayer. The Pledge was recited by all.

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

Aspiras moved and Shupp seconded that the minutes of the April 21, 2014, regular meeting be accepted as posted. Roll call vote; all yeas; motion carried.

### **Standing Committee Reports:**

Finance – Aspiras: Thank you, Mr. President. The Finance Committee met last Monday, April 28, and there really was only one item up for discussion during that committee meeting and that revolved around how do we get more funding into the Capital fund specifically for streets, roads, and repairs. So the output of that, I asked Ms. Strimlan to introduce legislation, it's on the docket tonight. And those two pieces of legislation is Resolution 19-14 which is an immediate transfer of \$500,000 from the General fund to the Capital fund and also Ordinance G-14 and that is a ordinance to change the allocation from the current 75/25 split. 75% General fund/25% Capital fund as far as income tax revenue and move that to 70% / 30%, 30% Capital, 70% General. So in essence that last piece of legislation on tonight's docket takes and moves 5 more percent of the income tax revenue into the capital fund for a much needy repairs on our streets and also some of the work. So that's all we discussed last Monday. That's all I have. Thank you.

Utilities – Corfman: Thank you, Mr. President. Last Monday the Utility Board passed a resolution in their meeting that purchased repair parts for the turbine generator and the rest of the needs for that ordinance are in a resolution tonight that we want to consider seriously and try to pass that that gets our power plant ready for the peak season. And I can answer questions but Mr. Brediger will also have, I'm sure, a lot of details for that when we get to his report as well. That's all I have.

Transportation - Shupp: Thank you, Mr. President. No report but I would like to mention to Mr. Wheeler that I did drive down Raspberry Road this week. Very nice. I'm glad to see it's open.

Planning – Hamsher: Thank you, Mr. President. We've had a request from a citizen for an ordinance review. So I'm calling a meeting of the Planning Committee on May 19<sup>th</sup> prior to next week's council meeting at 6:45 p.m. to discuss that citizen request for an ordinance review. May 19<sup>th</sup>, two Mondays from now at 6:45.

No report for Health & Safety, Parks & Recreation, Ordinance & Personnel.

No special committee reports.

### **Administrative Reports:**

Mayor Handwerk: Thank you, Mr. President. I have a few items here tonight. The first one is our May "employee of the month" is OFFA Firefighter of the Year **Brad Ballentine**. Brad received the Firefighter of the Year title at the annual Firefighter banquet last December. He is the son of Captain Ron Ballentine and nephew of Chief Bob Ballentine, Brad learned at a very young age that pride and dedication is very important to be a member of this elite group. A 2005 graduate of OHS and 2007 graduate of Stark State College, Brad joined the fire department in 2008 – officially. Like some other younger members, Brad

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has been an “unofficial” member for much longer. When you have as many second and third generations as our firefighters have on the department, you have a very tight knit group. A younger member comes on board and already knows the time and the commitment that it takes to do the job. Brad lives here in town with his wife Sarah and their 8 month old daughter Delaney. We thank Brad for his willingness to do what needs to be done to ensure the continued success of our Fire Department. I would like also like to thank those who helped in our “Community Clean-Up Week”. That would be the week of April 21<sup>st</sup>-26<sup>th</sup>. While the weather was not very cooperative that week to get groups out to do a lot of litter pick up, there were some groups and individuals that were able to do that. Some people actually put a lot of other stuff in the bin down there we weren’t expecting so I don’t know whether we will do that again next year or not. But anyways the bin was there and some people did use it for what it was meant to be used for and we appreciate that. Now that we are slowly beginning to see spring and summer weather arrive, and I say that sort of seriously even though I’m still mowing grass with hooded sweatshirts and stocking caps. We have just a few reminders that I wanted to bring up as we get into the nicer weather. First of all, we’re going to have people that are going to be out walking, some walking their pets. Please make sure your pets are secure so that they cannot chase people. We have had one call already from someone who was chased while they were walking their dog and actually was bitten by the resident’s dog. That’s the type of thing that shouldn’t be happening. People should be allowed to walk without having to worry about. Those walking pets remember to pick up after your dog when nature calls. That is your responsibility as a pet owner. Also, please be respectful of other people’s property. We’ve gone to great lengths to get sidewalks all over Orrville and that’s what they’re meant to be used for is for people to walk on. Don’t be cutting through people’s yards and flowerbeds and things like that just because someone might be in a hurry. And lastly just a reminder that on Friday the time capsule that was constructed by the Lion’s Club will be buried at 1 p.m. in the afternoon. The ceremony will take place on the Blackwell Williams property near the pond on Vine Street and that will also be near the Lion’s Club bench that they had purchased there years ago. Hopefully that will be a nice ceremony. And that’s all I have.

Safety Service Director Wheeler: Thank you, Mr. President. Lakeview and Primrose is on hold until we can get some drier weather. All that remains is the milling and final surface. Of course they have been out there doing work over the last few weeks but it’s just so wet we’re concerned about getting a good dry bond between the layers of asphalt so we’re trying to get a good stretch of dry weather before we can go in there and wrap it up and make sure it’s a good project when it’s all said and done. Dominion has been out and about. You’ve probably seen them a little bit of everywhere throughout town. They did do a project at South Crown Hill and Market. It was just completed over the weekend; they did do the grass re-seeding. Last week they did the sidewalk replacement on that project as well. They are on Mineral Spring tomorrow as well finishing up a concrete panel replacement from a project they had done a week or two ago. So Mineral Spring will be closed tomorrow from Main to Vine. Their next project is South Crown Hill and Paradise Road which is another concrete panel replacement that they had already been in to fix the line there as well. Street Department is out and about as you can imagine this time of the year; very busy. They continue to work on potholes, basin repairs, and also the park equipment installation. That’s all I have for this evening.

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Utilities Director Brediger: Thank you, Mr. President. I will speak to the upcoming resolution at that appropriate time. Just two items from our Water Department, I did send out an email earlier today. Today and all of this week is National Drinking Water Week. You can visit the EPA's website. There is a lot of useful ideas there trying to give the public a general idea of what we often take for granted to protect and preserve that resource. It is partly our responsibility, it's not somebody else's so check out the website and just think about that the next time you turn on the faucet. And also beginning this week and continuing through the end of the month the Water Department will begin fire hydrant flushing during the weekday from 7a.m.-4p.m. The hydrant flushing may cause some fluctuations in water pressure and may cause the water to become cloudy. It's still drinkable. It should clear up after a short period of time. If you're going to wash any clothes, we recommend you kind of wait until the water clears up. If anybody has any questions you can call our Water Department at 684-5130. That's all I have tonight.

Finance Director Strimlan: Thank you, Mr. President. Finance has no report this evening.

Law Director Kirkbride: Thank you, Mr. President. Likewise I have no report this evening.

Council President Baker: I have one announcement to probably go along with Mr. Brediger's Water Week. This is also International Firefighters Week. So it would be nice that they have water to use if they have to go out and about in our City. That's all I have for tonight. We have no old business to go over. We will move to new business Ms. Leathers.

### **New Business:**

Leathers moved that Resolution 17-14 be place on first reading. Hamsher seconded. Roll call vote; all yeas; motion carried. **Resolution No. 17-14**, A Resolution authorizing the Safety – Service Director to enter into any agreements with the Ohio Department of Transportation necessary for The Way-East High Street Project (Pid 95098) and The Way-East Pine Street Project (Pid 95089), and declaring an emergency.

Wheeler: This is actually the same resolution as Res. 28-12 which was approved in 2012. All the authorizations are the same as were approved in that prior agreement. Department of Transportation changed their project ID numbers for these two projects which were reflected in 2012 as different numbers obviously. So this is simply a resolution with those updated Pid's in there, nothing in regards to direction of the project or anything like that has changed or the authorizations. It's simply reflecting the new Pid numbers in the document.

Aspiras: Mr. Wheeler, so no changes in the State and Federal funding that was allocated?

Wheeler: Nothing at all has changed in regards to allocations or authorizations maybe the schedule has slipped a little since 2012 of course. Beyond that, we still hope to have the project up and going High Street in early spring. We're still hoping for Pine Street and Lake, 2015 as well.

Leathers moved that the rules, regulations, and statutes requiring the reading of a resolution on three separate days be suspended. Vance seconded. Roll call vote; all yeas; motion carried.

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Leathers moved that Resolution 17-14 be adopted as read. Corfman seconded. Roll call vote; all yeas; motion carried.

Leathers moved that Resolution 18-14 be place on first reading. Wilson seconded. Roll call vote; all yeas; motion carried. **Resolution No. 18-14,** A Resolution authorizing the Public Utilities Board of Control to enter into a contract and/or contracts, without bidding, for the repair of Turbine-Generator No. 11 at the Power Plant, and declaring an emergency.

Brediger: This is the second resolution to address some concerns we have on Turbine 11. If you recall at our last council meeting I made a suggestion that we may be needing to perform some work on this unit. After further testing and consultation with our original equipment manufacturer we have decided to take that machine out of service because of the excessive vibration we were seeing on the high pressure end of that machine. Let me go over in a nutshell what this resolution covers and then we'll talk a few more details on this. This resolution compliments a resolution that Mr. Corfman mentioned earlier that the Utility Board passed last Monday night. In that resolution the Board authorized for the purchase of blade materials. This resolution will cover any additional blade work we may need once the unit is in the shop, the installation of those blades, the shipping and insurance for these components. Two components have already left the site. One is up in the Chicago area. The other one is in the St. Louis area for evaluation and repair. And it will also cover any contract labor during the reassembly process if that is needed in order to beat some completion deadlines. Let me back up a little bit, for about the past two or three months we've seen progressive vibration increases on this machine. We've been doing a lot of testing, a lot of evaluation. And after some testing about two weeks ago we decided to put this unit in the run only under case of emergency mode. And that meaning that although the unit was operating it operated at a vibration level beyond what we normally would like to see on a continuous basis. We were suspecting at that time that we had some blade damage may be due to some foreign material passing through that. In that same timeframe we were also had been monitoring efficiency of that unit and noticed a great drop in the efficiency of that machine over the past several months and that too we suspected to some blade repairs that were made in the last outage. Since we have had that unit disassembled with our own personnel, we did find the suspect blade damage, we have located several areas that were most likely contributing to the higher vibration levels that we were seeing. As I mentioned we do have those blade materials on order. One of the bigger concerns is not so much the repair but the timing of the repair. It's very important to us that we have all of our generators in service when we come up to the summer peak season. And this for a number of reasons, one we can generally generate electricity cheaper than the market and that's generally an opportunity for us to sell into that wholesale market because we're bringing in also the energy from some of other projects. But more importantly is the transmission system operator in our region during those peak periods of time gives us a credit for every kw of generation that we have on board at the time those peaks are set. And to give you an idea on how much that credit that comes back to us in the form of lowering our transmission cost, this year alone that will amount to the neighborhood of about \$2.3 million. If we go into the summer season and we do not have all three units in service, we run the risk of maybe coming, taking 10 mw out of that capability and if that unit is out of service during these peak periods we have at risk in the neighborhood of \$360,000 to about \$560,000 if we come up short during those periods. So

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that's really one of the bigger drivers. Normally we could operate with that unit out of service for a longer period of time for the need for this legislation is to allow these repairs to be made in a timely manner, have that unit up. Our goal is to have that unit all repaired and operational by mid-July. The total estimated cost for this work, worst case scenario, we have estimated at between \$240,000 and \$260,000. One of the good news pieces of all of this is we've had a very good month of February in the wholesale sales market. So these costs, although they were not budgeted for this year, we will more than cover for these costs in the repairs in the above wholesale income that we received in the month of February. That's all that I have right now. I'll answer any kind of questions that you may have. The other note that I'll add is since we had the unit in the shop this week, the blades that we identified that are needing replaced are probably accounting for most of the efficiency loss that we have calculated that out to be there. Just in those efficiency gains alone, we will recover these costs probably in a 12-18 month period. So we have a couple of kind of bonuses working in our favor. One, we will have a repair that will restore the integrity of that machine back to the level that we come to expect it. Two it is not going to cause us any financial burdens because we have this money in the bank right now due to our excessive wholesale sale proceeds that we made in February. And again, we'll also regain some of that money back and that will, those efficiencies will be realized ongoing but they do have a very short payback period to them. So with that I will stop and answer any type of questions that you might have on this.

Corfman: Thank you, Mr. Brediger for that detail. And I'd also just to reemphasize it explains the urgency of why we do want to do this soon.

Wilson: How many generators do we have in this whole operation?

Brediger: Three.

Wilson: So number 11 is not indicative of the number of generators?

Brediger: No. Number 11 is just one of the 11 that have been there since 1917. We have 11, generators up to number 11. And we have boilers up, steam generators, up to number 13. So over the past roughly 95 years there have been several before that. The other piece of information I might add here, I received a note from Ms. Strimlan, depending on how these expenses come in and how our revenues match up here, we may be making an appropriation amending sometime before the end of the year. It kind of depends on how our costs are. If our costs are lower than what we budgeted we may be able to go ahead and absorb this and not require an appropriation amendment. But again, remember, at the end of the day, we're not going to be in the hole on this thing because we did have a very nice February. So while others were paying some pretty exorbitant utility bills outside our customers, we were out in the wholesale market with all three generators in the month of February during that polar vortex and we netted out rather well and unfortunately we're going to get a little bit of that back.

Aspiras: So we're fortunate, and excellent timing that you got number 10 up when you did.

Brediger: Yes. Works out good and we were able to kind of diagnose the problem quickly and at least go into this thing with a pretty high degree of confidence that we thought we knew what the most probable suspects were. And those have been mostly confirmed this week once we got those components in the shop. Assuming that the vendor quotes that we received for the blade material and installation go according to schedule then we feel pretty comfortable about having this unit back in service before the summer period. We were able also to be able to go back to between 3 and 5 vendors

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for all of this work too so again just a reminder when we say these legislations are without bidding, it's just without that formality of bidding but we did have 4 vendors bid just solely on the blade material themselves there. It was nice timing issues working for us there too.

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

Leathers moved that Resolution 18-14 be adopted as read. Hamsher seconded. Roll call vote; all yeas; motion carried.

Leathers moved that Resolution 19-14 be place on first reading. Aspiras seconded. Roll call vote; all yeas; motion carried. **Resolution No. 19-14**, A Resolution authorizing transfers from the General Fund #101 to the Capital Projects Fund #401 and declaring an emergency.

Strimlan: I can give some information. This resolution is a result of our Finance Committee meeting the past Monday. It is an authorization for a one time transfer of \$500,000 from the General Fund to the Capital Fund to fund additional capital improvements that we plan on doing this year.

Vance: Are you comfortable with moving that amount of money from the General Fund into the Capital Improvements Fund? Do we have enough reserve left then?

Strimlan: Yes. Yes. We like to keep about three months' worth of operating expenses, \$1.5-\$1.8 million. Right now our balance is about \$3.9 million so we are comfortable with making a transfer.

Hamsher: We're going to use this for, Mr. Wheeler, for much needed roads and so forth and so on, projects that we've been putting off for a little while?

Wheeler: All \$500,000 will go toward concrete street repair this year.

Hamsher: Excellent. Ms. Strimlan, we could have taken a \$750,000 possible transfer as well for immediate transfusion to do more?

Strimlan: Yes.

Hamsher: But we chose to do \$500,000.

Strimlan: Yes.

Leathers moved that the rules, regulations, and statutes requiring the reading of a resolution on three separate days be suspended. Hamsher seconded. Roll call vote; all yeas; motion carried.

Leathers moved that Resolution 19-14 be adopted as read. Hamsher seconded. Roll call vote; all yeas; motion carried.

Leathers moved that Ordinance F-14 be place on first reading. Hamsher seconded. Roll call vote; all yeas; motion carried. **Ordinance No. F-14**, An Ordinance amending the Zoning Map created by Chapter 1120 of the Codified Ordinances of the City of Orrville, Ohio, to reclassify a parcel of land located on the east side of North Crown Hill Road consisting of 8.76 acres in the City of Orrville, Ohio, from R-2 (Residential) to R-3 (Residential).

Wheeler: This is a, as Ms. Leathers stated, this is a 8.76 acre parcel of land on North Crown Hill. It abuts 1524 North Crown Hill. It is currently an R-2 district but does abut R-3 property, Spring Hill, to the north. The parcel has a creek on its northern boundary, a sewer easement running through it, a pond on it, and is a very hilly piece of property as well. The property owner is requesting the zoning change so they can build a smaller duplex on it for the owner and her son to live in. R-2 and R-3 zoning districts are

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designated for single-family and two-family dwellings. If the owner wished to do multi-family dwellings, and the only reason I bring that up is because that is a common question asked, triplex, fourplex, or apartment complexes under either R-2 or R-3, they would need to submit an overall development plan for a subdivision with public streets, utilities, etc. In R-2 zoning, only 20% of a subdivision may be multi-family. In R-3 zoning, only 30% of a subdivision may be multi-family. With the topography, the easement, the pond, the creeks on this property, I would say the owner would be hard pressed to do much more than one duplex on this property. They have given no indication of anything other than a duplex request on this property as well. But I did want to go into the apartment complex issue because I know that's a common question when we're changing zoning. I'll be glad to answer any questions that you might have. I also want to note the Orrville Planning Commission did approve the rezoning request unanimously.

Baker: Also, for Council's information, Mr. Eberly was not available to come this evening. He said if we would like he would be able to come at our next meeting. If we do have any questions of him, he is willing to come and talk to us.

Vance: I'm comfortable with Mr. Wheeler's explanation, just for the record.

Leathers moved that the rules, regulations, and statutes requiring the reading of an ordinance on three separate days be suspended. Shupp seconded. Roll call vote; all yeas; motion carried.

Leathers moved that Ordinance F-14 be adopted as read. Hamsher seconded. Roll call vote; all yeas; motion carried.

Leathers moved that Ordinance G-14 be place on first reading. Aspiras seconded. Roll call vote; all yeas; motion carried. **Ordinance No. G-14**, An Ordinance amending Section 181.14 of the Codified Ordinances of the City of Orrville, Ohio, and declaring and emergency.

Strimlan: I can, although Councilman Aspiras already went over this in his report, but this ordinance changes the allocable split of income tax revenues. It at present is 75% to the General Fund 25% Capital Fund. This ordinance will change that to 70 to the General and 30 to the Capital. It is retroactive back to January 1<sup>st</sup>. As soon as we have the adjustment calculated and in the system we will give Council a copy of the recap of what that adjustment is, approximately \$76,000.

Shupp: I'm sorry. I couldn't hear that amount.

Strimlan: Approximately \$76,000.

Shupp: \$76,000

Strimlan: Is the difference from March through April.

Hamsher: One of the things that Mr. Aspiras talked about earlier in question, he said how do we get more money in the Capital Fund? And my question earlier to Ms. Strimlan was, we could have transferred another quarter million dollars, have a mini transfusion. I'm just having a hard time getting behind something that within two years puts us really tight with paying our expenses down to \$440,000 in the general fund and puts us in deficit in 2017. I think probably, in my view, a better option would be to do the transfer and then re-evaluate a possibility every year for a transfer rather than to keep changing the percentages. Especially with the uncertainties, we have State legislation with business income tax reporting, we have EPA issues with the power plant that are certainly worrisome for the future of our expenditures within the General Fund. Thank you.

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Mayor: That was our wishes as well as far as administration goes but we'll work with whatever we have.  
Vance: I think, and that is my opinion as well, but I think that we have a common understanding here on council that we have to watch these account balances very, very carefully. It's difficult to do because we don't know exactly where we are for the year until the year is nearly completed because many companies file extensions for their tax return, they don't file until the middle of October. So that's when we get a good clear picture of where we really are. I think there is a common agreement here on council to watch these balances very carefully and I think heard, I trust it is our commitment, to make adjustments as necessary should these eventualities occur. So that's, I hope, that's going to be our approach. I believe it will be. Thank you.

Leathers moved that the rules, regulations, and statutes requiring the reading of an ordinance on three separate days be suspended. Shupp seconded. Roll call vote; Hamsher, nay; all remaining yeas; motion carried.

Leathers moved that Ordinance G-14 be adopted as read. Corfman seconded. Roll call vote; Hamsher, nay; all remaining yeas; motion carried.

Leathers: And that concludes tonight's new business, sir.

Baker: We will move on to the good of the order. Does anyone have anything this evening?

Corfman: Please vote tomorrow. No one is going to see this probably before but I hope we all consider Issue 1 seriously. It has been very much of benefit to the City of Orrville and we wish to see that pass.

Leathers moved to adjourn the council meeting and Aspiras seconded. Roll call vote; all yeas; motion carried. Council was adjourned at 8:06 p.m.

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Jeanne Gault, Clerk of Council

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Date

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Lyle Baker, President of Council