

Regular/Public

September 18, 2017

Council President Baker called the meeting to order.

Pastor Chuck Davis, Calvary Assembly Church, offered the prayer. The Pledge was recited.

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

Vance moved to approve the minutes of the regular meeting on September 5, 2017; Hamsher seconded. Roll call vote; all yeas; motion carried.

Public Comment: None

Standing Committee Reports

Utilities – Corfman: A workshop was held last Monday and legislation is on the agenda this evening.

Transportation – Shupp: Called for a committee meeting for Sept. 27, following the Planning Committee meeting to discuss golf carts on the roadways.

Planning – Hamsher: Planning Committee meeting Sept. 27, 7:00 PM, in the main floor conference room.

Administrative Reports:

Mayor Handwerk: Employee of the Month for September is Bob Auten, Superintendent of the Waste Water Plant. Bob was hired in the Wastewater department in 1985. Holding various positions, he was promoted to Superintendent in 2002. "He's a very dedicated and cost conscience person. He maximizes whenever he can and always tries to do the best for the Utility. This can best be demonstrated by the utility's ability to operate without a rate increase since 1999. Bob strives for efficiency and always has the customer in mind," said Jeff Brediger. Bob and with his wife, Linda can be seen all over town walking their dog. His son, Tyler, was recently married. We will be eating lunch tomorrow. Congratulations to Director Brediger and all of the power plant employees for a great open house Saturday. A good turnout and many positive comments from those that toured. There was a lot of extra work done by a lot of people Saturday and we appreciate the extra work for the ability to have an open house. And I'm very proud to mention that during the flood in the hurricane in Florida, we had two of our own lineman that were down in that too, Jeremy Wolford and Kyle Miller. Lastly, we have been getting updates from JLG about when their last date will be down there and it keeps changing with another notice received this week that there will still be some employees there at least from toward Dec. 22 all the way up to January 4.

Safety Service Director Wheeler: The Service Department has begun the fall activities: crack sealing this week, Orr Pool maintenance, chip and seal. Reminder from Orrville PD and Chief Birkbeck, it is getting dark earlier so keep an eye out for suspicious activity or anyone that seems up to no good, call our dispatch immediately.

Utility Director Brediger: Main stack at the Power Plant will be cleaned and painted next week. That's expected to take about a week. We had an excellent turn out at the open house. We figure we had about 625 people. We had planned on about 300-350. We had 6 continuous tours working for 5 hours. It was only supposed to last for 4 hours. Thank you to all the staff and volunteers and all the people in the plant in distribution. They had some great displays up. We met a lot of people, some that installed some of the equipment back in the 50's, a lineman that worked for us over 50 years ago back when we only had one truck. That was an excellent event. The plant looked good. A lot of people had a good

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time. There were a number of giveaways that included a \$100 credit toward a utility bill, \$75 credit, \$50 credit, gift baskets from J.M. Smucker, Cleveland Browns chair, cooler and other goods that were all together. A Public Hearing is scheduled by the Utility Board meeting on October 9 to discuss some landlord policy changes. These changes will help us in the collection efforts and clarify accountability. Two linemen, Jeremy Wolford and Kyle Miller, volunteered to assist in the hurricane recovery efforts in Florida that was coordinated by our national association American Public Power Association. About 60,000 from 20 states when to help the 6.5 million that were without power after the hurricane. The Utility Board did have a workshop to review the water and waste water rates. Two Administrative Orders are on first reading tonight. The board plans on taking action on this on September 25. These will go to second reading on October 2 and if no action is taken, it will go to third reading on October 16, fourth reading, if necessary on November 6 and the fifth and final on November 20. Presentations were emailed out to council last week following that meeting. Lead testing on residential homes has been completed and came back below any reportable thresholds. Natural gas aggregation program is again going with IGS Energy, which we have had for the past couple of years. Prices are going up this year; increasing to \$3.54 MCF. Currently they are \$2.97. That time period runs October 31, 2017 – November 1, 2018. The Public Utilities Apples to Apples website currently shows that is still the lowest price for the 1-year fixed program.

Finance Director Janet Strimlan: Fund Balance reports for June, July and August needs a motion to approve subject to audit. Aspiras so moved; Corfman seconded; roll call vote; all ayes. Motion passes.

President Baker: He attended the open house with a guest from Kansas that was impressed we make our own electricity and enjoyed the power plant tour.

Old Business: None

New Business:

Lorson moved that Resolution 41-17 be placed on first reading. Hamsher seconded. Roll call vote; all ayes; motion carried. **Resolution 41-17**, A Resolution authorizing the Safety-Service Director to enter into an agreement and/or agreements with or without bidding to remove asbestos at 240 West Market Street, Orrville, Ohio, and declaring an emergency.

Discussion: This is the next step in removing the property at 240 W. Market Street. We have made considerable progress with OHPO. The asbestos removal is the final step prior to demolition of the building. The plan, if all continues well with OHOP, is to complete as soon as possible and done by the end of October. We are working with grant money and abiding by their requirements as well through this process which is why we stated with or without bidding, depending on their requirements. As this building was not owned by the City, we were not aware of deterioration until this last owner when it was condemned by the County building officials when the structure became unsafe. At this point the amount of investment needed in order to bring this up to code, would not be a good investment for someone to purchase. OHPO's goal was to save the structure but this case was not realistic. They're hope now is that we will do other things in the downtown to balance it out such as curb work, trees, landscaping improvements.

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Lorson 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. Lorson moved that Resolution 41-17 be adopted as read. Aspiras seconded. Roll call vote; all yeas; motion carried.

Lorson moved that Resolution 42-17 be placed on first reading. Wilson seconded. Roll call vote; all yeas; motion carried. **Resolution 42-17**, A Resolution authorizing the Safety – Service Director to prepare and submit an application to participate in the Ohio Public Works Commission State Capital Improvement Program for grant or loan funds and/or agreements as required to obtain said funds, and declaring an emergency.

Discussion: This is our annual resolution where we apply for grant funds from the OPWC. We've identified East Chestnut, East Paradise and South Walnut as streets that need asphalt overlay, totally \$650,000 for construction and engineering. \$325,000 would be the City share.

Lorson 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. Lorson moved that Resolution 42-17 be adopted as read. Aspiras seconded. Roll call vote; all yeas; motion carried.

Lorson moved that Resolution 43-17 be placed on first reading. Wilson seconded. Roll call vote; all yeas; motion carried. **Resolution 43-17**, A Resolution accepting the amounts and rates as determined by the Budget Commission and authorizing the necessary tax levies and certifying them to the County Auditor.

Discussion: After the 2018 Budget was approved, it was forwarded to the Budget Commission. Following their approval the auditor sends the legislation that's before you tonight basically for an acceptance of the rates and permitting them to collect property taxes for us. It does need to be returned to the County by September 30.

Lorson moved that the rules, regulations, and statutes requiring the reading of a resolution on three separate days be suspended. Shupp seconded. Roll call vote; all yeas; motion carried. Lorson moved that Resolution 43-17 be adopted as read. Corfman seconded. Roll call vote; all yeas; motion carried.

Lorson moved that Administrative Order 1-17 be placed on first reading. Corfman seconded. Roll call vote; all yeas; motion carried. **Administrative Order 1-17**, An Administrative Order granting authority to the Public Utilities Board of the City of Orrville, Ohio, to increase Water Utility Rates by eight percent (8%) beginning December 1, 2017, through December 31, 2017. The first day of January beginning 2018 through January 1, 2022 increases as follows: The first two years (2018 and 2019) the increase will be seven percent (7%) per year. The next three years (2020, 2021, and 2022) the increase will be six percent (6%) per year.

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Discussion: A workshop was held previously to discuss the need for the increases. This will go to second reading. This can go a maximum of 5 readings and can be approved after the Utility Board approves the resolution. Rates were increased last in 2012-2014. Last increase for waste water was 1999. The 8% for one month is in preparation for the High Street water main replacement and also to deal with the loss of the revenue associated with the electric utility changes and its water use. Those are the two biggest drivers as well as supporting future capital projects. \$4.00/month for the average residential bill. The 2018 increase is 7%. Within 60 days it will increase twice. These rates will be evaluated annually. If the indicators are that these rates need to go down, then they will be lowered. This is based on our needs, what we know today, looking out over a 5-year period for the rate model for capital requirements due to regulatory issues or due to the aging infrastructure and because we do not anticipate a large amount of growth in the revenue or in our customer base, these were the rates that we're going to need in order to fund those projects. So unless something would change in the revenue where we have a large customer or a large influx of residential homeowners or something like that, we don't really anticipate the revenue increasing or unless one of these capital projects would come off plan that we no longer have to do it. Based on what they are saying we need today, this would be the way it would have to be to accomplish those necessary projects, a baseline need over the next 5-year period. We are not looking to issue bonds. There are provisions for \$500,000 grant proceeds and \$500,000 in an OPWC loan but we are not sure we will receive those which would make a negative impact for us. We would like to pay as you go as has been done on the tax supported side. This also gives our customers an idea for projections of their 5-year budgets. There is a chart in the presentation that shows water and waste water rates for surrounding communities and some that had similar size to ours. We are well below the state average on water and waste water rates across the board even with these increases, and that was based on EPA survey from 2015 and many of those others have had increases in their rates since then. If we don't do anything, we will go into the red and at that time we would need to go for a much higher increase at one time instead of spread out over the 5-year forecast.

Lorson moved that Administrative Order 2-17 be placed on first reading. Corfman seconded. Roll call vote; all yeas; motion carried. **Administrative Order 2-17**, An Administrative Order granting authority to the Public Utilities Board of the City of Orrville, Ohio, to increase Wastewater Utility Rates by seven percent (7%) beginning December 1, 2017, through December 31, 2017. The first day of January beginning 2018 through January 1, 2022 increases as follows: The first year (2018) the increase will be seven percent (7%). The next four years (2019, 2020, 2021, and 2022) the increase will be six percent (6%) per year.

Discussion: Similar to the previous legislation. The last time we had any change in waste water rates was 1999 where we just reclassified some customers' accounts where it was a rate change but some blocks of customers had a decrease and others an increase but from a revenue perspective, the revenue remained neutral. But from 1999 going forward, the rate structures have remained the same. This 5-year rate is to mainly focusing on infrastructure. The Water Department has immediate day to day needs on top of capital needs. Waste Water is infrastructure. Our infrastructure can support a community of 40,000 people. We have a lot of stuff there to support a lot of what is going on in this community. The Utility Board will be moving forward on this at their next board meeting.

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Good of the Order:

Hamsher: This is Paul Locher's last meeting with us. Good luck, God speed, thank you for what you've done for Orrville.

Locher: You're very welcome.

Wilson moved to adjourn the council meeting; Aspiras seconded. Roll call vote; all yeas; motion carried. Council adjourned at 8:28 PM.

Jeanne Gault, Clerk of Council

_____, 2017
Date

Lyle Baker, President of Council