

CITY COUNCIL MINUTES
December 5, 2011

I. ROLL CALL & ORDERING OF AGENDA

Acting President David Silvestri called the regular meeting of Wooster City Council to order at 7:30 p.m. in council chambers by asking everyone to rise and join in the Pledge of Allegiance. The following members were present: Jon Ansel, Mike Buytendyk, Mark Cavin, David Silvestri, Jeff Steiner and Jon Ulbright. Barbara Knapic was absent.

Mr. Silvestri noted that Resolution No. 2011-100 would be cut from the agenda as it would not be needed due to discovering the purchase order necessary for payment had been previously generated.

II. APPROVAL OF MINUTES

Mr. Steiner moved, seconded by Mr. Ansel, to approve minutes of the November 21, 2011 meeting. Upon voice vote, motion carried unanimously.

III. COMMUNICATIONS FROM MAYOR/ADMINISTRATION

Mayor Breneman updated council on various activities in the city: 1) He commended the City of Wooster's Finance Division for receiving the Ohio Auditor of State Award with Distinction. It was presented for excellence in financial reporting for the Comprehensive Annual Financial Report for the fiscal year ended 2010. 2) The 2012 budget is before council and city administration is ready to answer any questions.

IV. PETITIONS/COMMUNICATIONS FROM PUBLIC

SNOSAM, 1931 Portage Road, applied for a new D3A liquor permit. The Ohio Department of Liquor Control sent notice requesting city council indicate if they had any objections to the issuance of this permit. Mr. Ansel moved, seconded by Mr. Steiner, not to request a hearing. Motion carried unanimously.

V. COMMITTEE REPORTS; PUBLIC HEARINGS

The Finance Committee held a meeting on December 5, 2011 at 6:00 p.m., prior to the council meeting, to review the proposed budgets of the City of Wooster and Wooster Community Hospital. Scott Boyes, CFO of Wooster Community Hospital, attended the committee meeting and gave a financial budget overview. Mr. Ansel said the hospital's budget forecast for 2012 looks very positive with an increase in services of approximately 10%. There have been cost reductions, yields and productivity improvements at the hospital that will improve their financial profitability significantly in 2012. Mr. Ansel said it was a very positive financial budget forecast and he thanked the board of governors and the accounting group at the Wooster Community Hospital for such a thorough summary. Conversely to that, Mr. Ansel said the finance committee also reviewed Skinny Wooster, the reformatted 2012 budget document for the City of Wooster. Mr. Ansel said about 80% of the budget was reviewed which showed revenue figures for 2012 flat compared to the prior year and lower than prior years in comparison. Mr. Ansel said the 2012 budget will be very challenging and he will get into the details after the committee has completed its final work session. The ongoing challenges the city is facing in terms of sacrifices for the citizens and the quality of life within Wooster are being impacted by the declining revenues. Mr. Ansel commended the city for holding expenses constant in 2011, which is significantly lower than prior years, and Mr. Ansel said that is a remarkable accomplishment, but certainly not without sacrifice. The city's conservative approach will continue to manage the declining Rainy Day Fund with the 2012 forecast finishing with approximately 133 days reserve. The 2010 deficit spending was \$2 million more than was generated in revenue. In 2011 it will be about \$300,000, which is a significant improvement. Next year it will be over \$500,000 in deficit spending. Mr. Ansel thanked the city for their thoroughness and detail of the budget. He said the capital appropriations and capital improvement budget portions of the 2012 budget will be reviewed at the Finance Committee's next work session on December 19, 2011 at 5:30 p.m. in council chambers at City Hall.

Mr. Silvestri reported on the Public Utilities Committee meeting held on Monday, November 28, 2011, at 5:00 p.m., for the purpose of discussing Resolution No. 2011-89, the amount of the contract for sludge hauling services. Figures show it costs the city about \$41,000 a month to haul sludge and Jim Borton reported to the committee that with the presence of the bio tower and based on the way our current operation is, the sludge should be reducing by

about 30%. Mr. Silvestri said after reviewing all the information it was the consensus of the committee to reduce the amount of the contract from \$350,000 additional to \$250,000 additional. On behalf of the committee, Mr. Silvestri said he would make a motion this evening to change the amount of the contract and apply it to the resolution. Mr. Buytendyk noted that council members all received a typed transcript of the committee meeting.

VI. OLD BUSINESS

1. Third Reading - RESOLUTION NO. 2011-89 AMENDING RESOLUTION NO. 2010-17 BY INCREASING THE AMOUNT OF THE CONTRACT (Silvestri)

Mr. Silvestri made a motion, seconded by Mr. Buytendyk, to amend Section I of the resolution, “contract will not exceed \$1,140,000.00”, to reduce the amount by \$100,000.00 to \$1,040,000.00. Upon roll call, motion to adopt carried unanimously (Ansel-yes; Buytendyk-yes; Cavin-yes; Silvestri-yes; Steiner-yes and Ulbright-yes).

Mr. Silvestri moved, seconded by Mr. Buytendyk, to adopt. Upon roll call, motion to adopt carried unanimously (Ansel-yes; Buytendyk-yes; Cavin-yes; Silvestri-yes; Steiner-yes and Ulbright-yes).

2. Second Reading - ORDINANCE NO. 2011-33 APPROPRIATING FROM VARIOUS FUNDS TO INDIVIDUAL ACCOUNTS FOR THE CURRENT EXPENSES AND OTHER EXPENDITURES FOR THE CITY OF WOOSTER FOR THE FISCAL YEAR ENDING DECEMBER 31, 2012, AND DECLARING AN EMERGENCY (Ansel)

Mr. Ansel said this is the 2012 budget which he discussed earlier in the committee meeting summary. He said the ordinance would be left on second reading as it did not need passed until the final meeting of the year. Mr. Ansel highlighted that the city is projected to finish 2011 with 164 days in the Rainy Day Fund and noted that is with a substantially reduced daily operating expense to the city. Projections for next year is to finish with 130 to 133 days in the Rainy Day Fund, approximately a 30 day decline being budgeted for 2012. Mr. Ansel said continuing to monitor the reserves is very important in making sure we don't go below the 60 day minimum in the Rainy Day Fund which is dictated by the City Charter. Mr. Ansel said through conservatism and strong fiscal management the city realizes there is an erosion, but there is still time and city council and city administration will remain diligent in keeping the citizens informed of how the Rainy Day Fund is being impacted in the future. The ordinance remained on second reading.

3. Second Reading - RESOLUTION NO. 2011-96 ACCEPTING THE RECOMMENDATIONS OF THE WOOSTER TAX INCENTIVE REVIEW COUNCIL WITH RESPECT TO EXISTING ENTERPRISE ZONE AND COMMUNITY REINVESTMENT ACT AGREEMENTS (Ansel)

Mr. Ansel said there was lengthy discussion at the last council meeting regarding the Tax Review Incentive Committee's (TIRC) recommendation to continue all EZ and CRA agreements for the companies referenced on Exhibit A. Mr. Ansel said he was prepared to move the resolution to third and final reading. Mr. Ulbright made a motion, seconded by Mr. Cavin, to propose an amendment to separate EZ Agreement No. 389-06-01 Eldorado Stone LLC & Chesterland Estates PLL from the other agreements recommended by the TIRC. Mr. Ulbright said the reason is he would like to vote yes for 20 out of the 21 agreements and give other council members the opportunity to vote their conscience on the separated item of Eldorado Stone LLC & Chesterland Estates PLL. Mr. Ansel recused himself from voting. Mr. Ulbright noted council only had five votes, but Mr. Benson said it only took a simple majority for an amendment. Mr. Buytendyk questioned if the city would claw back on this abatement, would Wooster City Schools ultimately be the one affected with state funding reduced by a like amount. Justin Starlin confirmed that would be the case and also pointed out that members on the TIRC include Wooster City School Board member Bob Reynolds, along with Wayne County Auditor Jarra Underwood, who both agreed this was the point in supporting this particular EZ agreement, not only to increase the marketability of the building, but if a claw back were to occur it wouldn't benefit the schools because a formula reduction from the state would come into play. Mr. Starlin said one other piece of the discussion is that this property has been actively marketed and now there is a contract in place. Mr. Buytendyk added this property has generated about 30 times more in taxes with the building than when it was vacant land. After the discussion, Mr. Ulbright said he would be willing to withdraw his proposed

amendment until the next council meeting to hear if there is any new information forthcoming on this property. Mr. Cavin concurred and withdrew his second on the motion. Mr. Silvestri clarified the Eldorado Stone LLC & Chesterland Estates PLL is one EZ agreement, not two and he explained Mr. Ulbright's amendment is to separate out this specific agreement to decide whether to continue or not continue the abatement, which is a different discussion than a claw back. Mr. Ansel waived his initial position to move the resolution to third and final reading. He commented that his understanding is Eldorado Stone had a five year lease which will be completed at the end of this year and then the full tax burden will fall onto Chesterland Estates PLL. Mr. Ansel said he was in a quandary as to why there are enterprise zone guidelines if it has a negative or neutral impact to the schools in terms of state funding versus local funding. He said if there is no negative impact, abatements should be ongoing for anybody willing to make that capital investment on a building within the City of Wooster. Mr. Ansel said he brings that forth because that isn't how the enterprise zone initiatives are being quantified when it comes to council's review. Again Mr. Ansel highlighted that the TIRC is an independent body that council has delegated the responsibility of being the purveyors of the tax incentive program to get into the details in order to make the recommendations. Mr. Ansel believes unless there is something majorly inconsistent then council should take TIRC's recommendations and proceed accordingly. Mr. Starlin said he will get more information by the next council meeting on possible contract involvement from the owner and feedback from the schools. Mr. Ulbright and Mr. Cavin expressed this agreement has been before council for the last three or four years and feel its time to fish or cut bait. But, if there is something in the works for the property and its pretty positive that it will happen, then that might change their approach on the vote for the continuance of the agreement. The resolution remained on second reading.

VII. NEW BUSINESS

1. First Reading - **ORDINANCE NO. 2011-37 REVISING THE AUTHORIZED RANGE OF PAY SCALES AND BENEFITS FOR HOURLY RATED AND SALARIED EMPLOYEES AT WOOSTER COMMUNITY HOSPITAL, AND REPEALING FORMER ORDINANCES (Ansel)**

Mr. Ansel said the ordinance would be held on first reading as council just received the detailed information packet from the Wooster Community Hospital. Every year council receives a revised organization chart and a compensation recommendation that is based on wage survey information from Management Services Inc. and the Ohio Hospital Association wage and salary base line comparatives. Mr. Ansel said there is a wage grade placement and a wage and salary structure revision proposed by the board of governors of the Wooster Community Hospital which represents a 2% increase. Mr. Ansel said in the highly competitive arena of health care its important to retain quality staff. Mr. Silvestri thought it might be helpful to have some type of key for the last section indicating how the numbers relate on the wage and pay structures, based on wage grade and years of service. Council requested that Stan Hochstetler, Human Resources Manager at the hospital, attend the next finance committee meeting to answer any further questions. The ordinance remained on first reading.

2. First Reading - **ORDINANCE NO. 2011-38 AUTHORIZING THE MAYOR TO EXECUTE AN ACCESS AGREEMENT FOR GROUNDWATER TESTING AT GROSJEAN PARK (Knapic)**

In Ms. Knapic's absence, Mr. Silvestri asked Mayor Breneman to give a brief introduction of the ordinance. The mayor explained technically there would be a well drilled on the edge of the Grosjean Park property as a monitoring well for the property owned by Halliburton, for which there is a potential sale pending. The well would monitor the ground water from that site to make sure there are no environmental problems. There would need to be an entrance for ingress and egress to the well. Mr. Silvestri added that there is language written into the agreement to make the well monitoring data available to the city. Mayor Breneman thought the monitoring process would take approximately five years, but will confirm that. The ordinance remained on first reading.

3. First Reading - **RESOLUTION NO. 2011-98 AUTHORIZING THE DIRECTOR OF ADMINISTRATION TO ENTER INTO AN AGREEMENT WITH THE WAYNE COUNTY HUMANE SOCIETY FOR CAT CONTROL SERVICES WITHIN THE CITY OF WOOSTER (Steiner)**

Mr. Steiner said this is a contract the city has been involved with for quite a number of years and it is public health service that we are providing to control the feral cat population. The Wayne County Humane Society has been the only and best offering to outsource this service. Mr. Steiner said for the city to handle this in-house doesn't make much sense and this arrangement with the Humane Society has worked well in the past. John Hall and Jackie Middleton were in attendance on behalf of the Wayne County Humane Society. Mr. Hall indicated the cat population is extremely high right now and the Humane Society spends every dollar received from the city on this problem in addition to their own funds. They spoke with other municipalities about contributing as well, but came up short. Mr. Hall answered council's questions and explained the cat control procedure. At council's request Mr. Hall will provide a summary of the Humane Society's service numbers and year end comparisons at the next council meeting. The resolution remained on first reading.

4. First Reading - **RESOLUTION NO. 2011-99 AUTHORIZING THE MAYOR TO ISSUE PAYMENT TO THE WAYNE ECONOMIC DEVELOPMENT COUNCIL FOR ECONOMIC DEVELOPMENT SERVICES (Ansel)**

The City of Wooster has been major stakeholders in the Wayne Economic Development Council (WEDC) over the past decade and Mr. Ansel said we want to continue to provide our financial support in their efforts to drive new businesses and industries to Wooster. He explained that prior to 2007 the city funded \$20,000 per year to WEDC and because at that time there was economic funding available, council recommended increasing the funding to \$30,000, but due to the importance of WEDC efforts, Councilman Keith Topovski, who was then serving on council, raised the amount to \$40,000. Mr. Ansel said it is important to understand the city's background in terms of the city's stakeholder position within the WEDC and recognize they are important to our success as well as the success of Wayne County and he commended WEDC for all the awards and accolades they have received over the past years under the leadership of Rod Crider and his staff. Mr. Ansel said the challenge now is the city is in a very tight financial situation and are making cuts across the board. This is one of those areas. He said the city is going to remain above the funding threshold of \$20,000, but go back to the proposed level of \$30,000 per year to the WEDC. In regard to the additional \$10,000, it was mentioned that the Wooster Growth Corporation, the city's CIC, might possibly consider being a stakeholder in WEDC. However, Mr. Ansel said before council is a reduced funding request on behalf of the city to WEDC. In case there were questions to the city administration or WEDC, Mr. Ansel left the resolution on first reading.

5. First Reading ~~RESOLUTION NO. 2011-100 AUTHORIZING THE DIRECTOR OF FINANCE TO ISSUE PAYMENT FOR SERVICES RENDERED UNDER CONTRACT(S) WITH VENDORS OR FOR SERVICES PROVIDED TO THE MUNICIPALITY (Ansel)~~

VIII. MISCELLANEOUS

Mr. Buytendyk thanked the finance committee and the finance division for all the hard work they have been doing on the budget. He also thanked those who attended the Public Utilities Committee meeting. Mr. Buytendyk congratulated the Norwayne High School football team for winning the State Championship.

IX. ADJOURNMENT

Mr. Ulbright moved, seconded by Mr. Steiner to adjourn. Motion carried and meeting so adjourned at 8:30 p.m.

David J. Silvestri
Acting President of Council

Cheryl K. Collins
Clerk of Council