

CITY COUNCIL MINUTES
December 7, 2009

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, Bob Henery, David Silvestri, Jeff Steiner and Jon Ulbright. Ed Schuch was absent.

II. APPROVAL OF MINUTES

Mr. Steiner moved, seconded by Mr. Buytendyk, to approve minutes of the November 16, 2009 meeting. Upon voice vote, motion carried unanimously.

III. COMMUNICATIONS FROM MAYOR/ADMINISTRATION

Mayor Breneman updated council on various activities in the city: 1) 2010 budget summary; 2) Beall Avenue Streetscape project update and 3) Downtown Christmas events.

IV. PETITIONS/COMMUNICATIONS FROM PUBLIC

Notification was received from the Ohio Division of Liquor Control that all liquor permits will expire on February 1, 2009 and will need to be renewed. The clerk read the notification which advised that the legislative authority has the right to object to any of the liquor permit renewals and request a hearing. There were no objections.

The clerk noted a Declaration of Official Intent was received from the finance director regarding four various projects. The finance director is required by the IRS to file this document with the clerk of council.

The following members of the audience spoke: Dan Montagna, 1189 Beall Ave., Julia Kennedy, 1189 Beall Ave. and Anna Myold, 1189 Beall Ave. (voting precinct for College of Wooster students). Greg Gehris, 347 N. Grant (affordable housing).

V. COMMITTEE REPORTS; PUBLIC HEARINGS

A Finance Committee meeting was held on Thursday, November 19, 2009 at 5:30 p.m. in Council Chambers of City Hall. Mr. Ansel, Chairman of the Finance Committee, gave a brief overview of the meeting. Discussed was the TIRC (Tax Incentive Review Committee) recommendations and the preliminary 2010 budget. Mr. Ansel indicated these items would be discussed in broader detail during the legislation portion of the meeting. Another Finance Committee meeting was scheduled for Thursday, December 17, 2009 at 5:30 in Council Chambers of City Hall, for the final 2010 budget review.

With respect to previous comments from the college students regarding a voting precinct on the campus of the College of Wooster, Mr. Ulbright asked Mr. Benson when council will deal with ward lines. Mr. Benson explained the determination of precinct boundaries is a decision within the jurisdiction of the Wayne County Board of Elections. City Council determines ward lines. The city ordinance provides the city will be divided into four wards and that City Council will re-determine the wards the first day of October the year following the decennial census year, the ten year census, and 2010 will be the next census year. Mr. Benson predicted council would enact legislation dividing the city into its four wards sometime in 2011, giving the time it may take for the federal government to compile all the statistics.

VI. OLD BUSINESS

1. Second Reading - ORDINANCE NO. 2009-31 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, 2010, AND DECLARING AN EMERGENCY (Ansel)

Mr. Ansel indicated he would be leaving the ordinance on second reading as the budget will be further reviewed at the Finance Committee work session. In 2010 the city will be tapping into their rainy day fund and are projecting a deficit. Bi-monthly review sessions will be held in order to stay current on the status of the deficit. Mr. Ansel stated

the city is beginning to formulate contingency plans and avenues to address this concern as it continues to escalate. The city has reserves, but based on current projections, by the end of next year they will have depleted roughly 50% of the rainy day fund and will have \$5 million of the \$3.3 million required by the charter in order to maintain a 60 day reserve. At some point and time the city may have to take initiatives to either cut expenses or generate additional revenue in order to carry the city through into the future. Mr. Dordea explained days in cash, how they are calculated and predicted by the end of 2010 we would be above the 60 day threshold, but below 100 days. The ordinance remained on second reading.

2. Second Reading - RESOLUTION NO. 2009-87 ACCEPTING THE RECOMMENDATIONS OF THE WOOSTER TAX INCENTIVE REVIEW COUNCIL WITH RESPECT TO EXISTING ENTERPRISE ZONE AND COMMUNITY REINVESTMENT ACT AGREEMENTS, AND DECLARING AN EMERGENCY (Ansel)

Mr. Ansel highlighted the duties of the TIRC and commended members who serve on the board. The Wooster TIRC recommended that all existing EZ and CRA agreements, with one exception, Eldorado Stone, dba Stonecraft, be continued. Mr. Ansel explained that in light of Stonecraft's failure to meet employment obligations and their future plans to curtail manufacturing and distribution operations in Wooster, the Finance Committee recommended to continue their abatement for another year. He stated this extension is for one purpose and one purpose only, to maintain the marketability of the facility. If Stonecraft were to lose their abatement, the facility would lose it forever and that would hinder the city's ability to market the property. There are companies considering it for a manufacturing operation and if the incentive is lost, the competitiveness of that facility against other facilities located throughout the state is at a severe disadvantage. The abatement will be up for review again in 2010 and Mr. Ansel noted the agreement will be amended so any business moving into the facility must meet all wage, health benefit and non-competitive requirements incorporated in the city's enterprise zone fast track program. Mr. Dordea clarified that the review of the TIRC would be in early April 2010. Mr. Buytendyk pointed out the Stonecraft facility has generated more money with the abatement than if the property had remained farmland. Originally agricultural, it generated \$671 in taxes a year. In 2004 when considered industrial/commercial, it yielded \$1595 a year in taxes. Currently, with the abatement, its generating \$36,000 in taxes a year. He wanted to bring attention to this as he feels abatements aren't necessarily a bad thing, especially when talking over a period of years that school systems will end with a lot more money. Mr. Ansel acknowledged the hard work of the TIRC and thanked council for their patience in working through the process.

Mr. Ansel moved, seconded by Mr. Steiner, to suspend the rules and place on third and final reading. Upon roll call, motion carried unanimously (Ansel-yes; Buytendyk-yes; Henery-yes; Silvestri-yes; Steiner-yes and Ulbright-yes).

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

3. Second Reading - RESOLUTION NO. 2009-88 ACCEPTING THE RECOMMENDATIONS OF THE WAYNE COUNTY TAX INCENTIVE REVIEW COUNCIL WITH RESPECT TO EXISTING ENTERPRISE ZONE AGREEMENTS, AND DECLARING AN EMERGENCY (Ansel)

Mr. Ansel stated this is good news as these companies have fulfilled their obligations and are generating a healthy return in terms of the city's investment. The Finance Committee unanimously recommended accepting the recommendations of the Wayne County TIRC as to the existing enterprise zone agreements. Mr. Silvestri further explained this legislation falls under the Wayne County TIRC and covers only EZ agreements and the previous legislation fell under the City of Wooster TIRC which covers EZ and CRA agreements.

Mr. Ansel moved, seconded by Mr. Steiner, to suspend the rules and place on third and final reading. Upon roll call, motion carried unanimously (Ansel-yes; Buytendyk-yes; Henery-yes; Silvestri-yes; Steiner-yes and Ulbright-yes).

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

VII. NEW BUSINESS

1. First Reading - ORDINANCE NO. 2009-33 AUTHORIZING THE PURCHASE OF REAL ESTATE, AND DECLARING AN EMERGENCY (Steiner)

Mr. Buytendyk recused himself from discussion. Mr. Steiner stated he would be leaving the resolution on first reading as the Planning and Zoning Commission is hearing a request for a zoning change on the property on Wednesday, December 16, 2009. The request is to the change zoning of the three parcels to a conditional use approval. These three parcels located at the intersection of Friendsville and Burbank Roads, have been selected as the location for the construction of a new fire station to replace the existing station on W. Highland Avenue. Mr. Steiner indicated several other sites were considered for the fire station but were ruled out for various reasons. Through negotiations the agreed upon price for the three parcels totals \$735,000 and once the conditional use request is approved, the real estate transactions can be finalized. The ordinance remained on first reading.

2. First Reading - ORDINANCE NO. 2009-34 ESTABLISHING THE EMPLOYEE BENEFITS FUND (Ansel)

Mr. Ansel stated the actual health care expenses for each division's employees are currently monitored on a weekly basis by a journal entry process which is a non-value added accounting practice. The city administration would like to establish an internal service fund to act as a clearing house for employee benefits, thus eliminating the manual accounting and streamline the process. The Employee Benefits Fund will be primarily used to account for all claims filed against, and paid by the city under the city's self-insured health care program. Costs to be paid from the fund will include medical claims, prescription claims and stop loss insurance premiums.

Mr. Ansel moved, seconded by Mr. Henery, to suspend the rules and place on third and final reading. Upon roll call, motion carried unanimously (Ansel-yes; Buytendyk-yes; Henery-yes; Silvestri-yes; Steiner-yes and Ulbright-yes).

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

3. First Reading - RESOLUTION NO. 2009-92 AMENDING RESOLUTION NO. 2009-46 BY ADDING A SOURCE OF FUNDS FOR THE PROJECT, AND THUS INCREASING THE AMOUNT OF THE CONTRACT, AND DECLARING AN EMERGENCY (Ulbright)

Mr. Ulbright stated this request is to amend Resolution No. 2009-46, which authorized construction contracts for the Freedlander Building demolition and appropriated funds from the Downtown Revolving Loan Fund, the CDBG Revolving Loan Fund, the CDBG Fund, but failed to include the Capital Improvements Fund. This will bring the estimated total cost of the project to \$700,000, of which 95% of the project was funded through grant and loan funds. Additional funds needed are available in the Capital Improvements Fund but cannot be drawn upon without council's approval. Mr. Ulbright indicated that when demolishing a building unanticipated problems arise and in this particular case stabilization of a remaining shared wall is a concern. According to Mr. Montgomery, city engineer, the amount of the increase is approximately \$8000.

Mr. Ulbright moved, seconded by Mr. Buytendyk, to suspend the rules and place on third and final reading. Upon roll call, motion carried unanimously (Ansel-yes; Buytendyk-yes; Henery-yes; Silvestri-yes; Steiner-yes and Ulbright-yes).

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

4. First Reading - RESOLUTION NO. 2009-93 AUTHORIZING THE DIRECTOR OF ADMINISTRATION TO ENTER INTO A CONTRACT(S) FOR THE REPAIRS TO THE AMSTER BUILDING, AND DECLARING AN EMERGENCY (Ulbright)

The city of Wooster and its community improvement corporation, the Wooster Growth Corporation, as successors in interest to the Freedlander property, are obligated by a 1937 agreement between Nick Amster and Herman Freedlander (captioned as a "Party Wall Contract") to share in the expense of stabilizing the adjoining building if necessitated by construction activities. Mr. Ulbright stated that before the Freedlander building was demolished there was no way to predict the stability of the shared wall between the Freedlander building and the adjacent Amster building. Now that the Freedlander building is down, the contractors have noticed there are serious problems in terms of stabilizing the wall and indicated it should be taken care of as soon as possible. Wayne County, who owns the Amster Building, cannot waive competitive bidding, but the city can, which would expedite the process of securing a contract. The city and county will share the total cost of the \$70,000 project, each paying \$35,000. Once repairs to the wall are made, the 1937 agreement will be vacated with a new contract, eliminating the shared wall language. Mr. Sigg gave further details of the plans to stabilize the wall and indicated the city will be managing the project. Mr. Benson pointed out that the only reason allowing the competitive bidding ordinance to be circumvented is an emergency circumstance that requires immediate action in order to preserve the safety of persons or property. In this instance both the city and the county feel this is a pressing concern which needs to be addressed immediately and the circumstances are serious enough that it should justify being able to override the competitive bidding requirement in order to get the job done at the earliest possible time.

Mr. Ulbright moved, seconded by Mr. Buytendyk, to suspend the rules and place on third and final reading. Upon roll call, motion carried unanimously (Ansel-yes; Buytendyk-yes; Henery-yes; Silvestri-yes; Steiner-yes and Ulbright-yes).

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

VIII. MISCELLANEOUS

Mr. Ulbright expressed empathy for citizens living in the area affected by the EnviroClean issue and wanted them to know the city is doing everything it can. He hopes that the results from the consultant's data will be finalized soon so changes can be made to resolve the problem quickly. At Mr. Ulbright's request, Mr. Benson gave a more detailed timeline. Testing occurred last week although one test needed to be re-done. The lead consultant felt they should have results within a week and Mr. Benson hopes to bring this information before council at their next meeting. He conveyed city administration shares concerns for those who live in the affected area. Unfortunately, the process is taking more time than what the city prefers, but in order to get the strongest offense, it takes time and patience. Mr. Benson feels the process is getting to a defining moment and believes the city will be prepared, regardless of the results, to act promptly and responsibly to protect the rights of the people, especially those who live in the southeast part of the city, so they can live and enjoy their homes free of that sort of environment. Mr. Ulbright agreed we want to make sure its the last time we have to deal with this issue and bring it to a final conclusion.

Mr. Buytendyk concurred with the process of do it once, do it right and not do it again and hopes that is where the EnviroClean issue is headed. He also reminded everyone that December 7th is the anniversary of the attack on Pearl Harbor and to remember all those who served.

IX. ADJOURNMENT

Mr. Ulbright moved, seconded by Mr. Ansel, to adjourn. Motion carried and meeting so adjourned at 8:40 p.m.

David J. Silvestri
Acting President of Council

Cheryl K. Collins
Clerk of Council