

Dennis Murray called the meeting to order at 5 p.m. after the **Invocation**, given by Dick Brady, and the **Pledge of Allegiance**.

The clerk called **the roll** and the following Commissioners responded: Dick Brady, Julie Farrar, Dennis Murray, Wesley Poole, Jeff Smith and Naomi Twine.

City staff present: Paul Ricci – Fire Chief, John Orzech – Police Chief, Aaron Klein – City Engineer, Don Rumbutis – IT, Don Icsman - Law Director, Hank Solowiej - Finance Director, Nicole Ard – City Manager and Kelly Kresser - Commission Clerk.

Upon motion of Dick Brady and second of Julie Farrar, the commission voted to excuse Keith Grohe. The President declared the motion passed.

Dennis Murray said traditionally **the commission has had a seating chart**, but he asked the clerk to begin randomly assigning seats. This was done when he was a State Representative and was an opportunity for his colleagues to get to speak with each other during the course of meetings.

Upon motion of Julie Farrar and second of Jeff Smith, the commission voted to approve the minutes of the December 23, 2013 and January 3, 2014 city commission meetings and suspend the oral reading. The President declared the motion passed.

AUDIENCE PARTICIPATION (*agenda items only*)

Rev. Ian Gibson, Porters Memorial CME Church, 1722 Third Street, said he wished to express thanks on behalf of his church to the members of the land bank committee and the members of the city commission for their assistance with Item #2. Dennis Murray welcomed Rev. Gibson to the community and thanked him and his congregation for assisting the city with this unused property.

PRESENTATIONS

Lisa Beursken, Coordinator of the Erie County Solid Waste District (ECSWD), said she is here to speak about **county-wide curbside collection and recycling efforts**. In 2010, the ECSWD asked communities about either keeping their drop-off locations or implementing other collection programs for the ECSWD to handle. The city kept its two collection sites, updated its ordinance and is currently in compliance with the ECSWD's plan. Vermilion and Margaretta Township have kept their drop-off locations and the ECSWD is now looking at other Townships which are still being paid for by Erie County. The goal is to remove them from the county and then establish their own affordable programs as some areas do not have the density to make them affordable on their own; one of the haulers suggested pooling communities together with a larger community base and bid this item. Lisa Beursken said at a Township Association meeting, someone asked what these communities would do and she said the County would be responsible to be compliant with the EPA recycling efforts. The drop-off locations cost more money and were inefficient. Rural areas were targeted for curbside recycling and the City of Sandusky was to be given an option to opt-out of the program as it is already compliant with its current recycle centers. If there is enough buying power, trash and recycling collection would be \$12 - \$15 per month or approximately \$45 per quarter. ECSWD has issued a request for proposals (RFP) and once the numbers are back, they have until June to look at them and take the information back to the communities. In the City of Sandusky and Perkins Township, curbside recycling and trash collection is \$55 per quarter; in the townships, this costs \$71 - \$80 per quarter. Lisa Beursken said she spoke about this a few years ago for Sandusky and there was significant potential savings for city residents of over \$1 million back to the residents. The City of Huron charges \$35 per quarter for this service and the City of Sandusky could potentially get this same deal. The idea was to look at what is the most efficient way to provide recycling for residents and how to provide even more services for outlying communities which currently do not have this option. Dennis Murray said his understanding is city homeowners and

landlords are required to have trash collection and Lisa indicated the EPA's recycling plan requires the city to have either a recycle drop-off center (which have been problematic for the city and is costing approximately \$70,000/year), or require trash haulers to offer additional services for recycling. If the city does not have the recycle centers, all of the haulers within the City of Sandusky would be mandated to provide curbside recycling. Lisa Beursken said the city is already doing this with its current license, but if the drop-off location was removed and changed to a subscription service for the residents, this would count as twenty five percent (25%) of Sandusky's participation. A contracted service, such as what is done in the City of Huron, counts for one hundred percent (100%) participation because it is offered to everyone. Dennis Murray asked why it would not count as one hundred percent (100%) if the city, by ordinance, requires all licensed haulers to offer curbside recycling and told they cannot do business in the city unless they provide this service; Lisa Beursken said this is a question for the EPA. Dennis Murray said if this is the city's plan, we should change it and Lisa Beursken said the EPA has made exceptions to the rule before and this question would have to be asked of them. Dennis Murray said if he understands the bid package correctly, he does not know who would be eligible to bid the next time and asked if there is a way to address this by breaking up the bid package. Lisa Beursken said the RFP offered options for the haulers to build their own program. For a long time, Lorain County only had Republic Services. However, Rumpke bid for the Lorain County Consortium and it is not totally unheard of for another hauler to bid after the initial time. Dennis Murray said he received feedback over the weekend about the question of whether or not the Sandusky representatives to the Solid Waste committee knew anything about this RFP and asked to be kept in the loop in the future. Wesley Poole said he realizes the ECSWD is only trying to obtain information, but he is not real comfortable putting any small haulers in Sandusky out of business and he probably never will be convinced this is a good idea. He asked Lisa Beursken to come back to the commission with some numbers after meeting with the haulers so they have an understanding of how to accomplish keeping small haulers in business, and meeting EPA requirements to be at one hundred percent. Lisa Beursken said ninety percent of the total population of Erie County must have access to recycling options in order to be compliant and the calculation of the drop-off centers and subscription or non-subscription services is what gets ECSWD to these percentages. Lisa Beursken said the ECSWD bid specifications would probably be different than those prepared by the city and in the past, these have been written so the city is broken out into a five-zone schedule and she encourages this to make it more appealing for the smaller haulers. Wesley Poole said he bows to the ECSWD as the experts on how to get this done and asked Lisa Beursken to work with the haulers to come up with a combination of things discussed while meeting the EPA requirements. The bid specifications were perhaps steering the city in a direction he does not think is best for the community. Julie Farrar asked for confirmation of the meeting with the haulers and Lisa Beursken said the pre-bid meeting is Thursday, January 16 at 3 p.m. at the Erie County Service Center, 2900 Columbus Avenue. Dennis Murray invited members of the audience to speak to this issue as this is most likely the only time it will be brought up during this meeting.

Tim Stookey, 1307 Fifth Street, asked where recycle containers would be placed and as a retired mail carrier, he hopes they will not be by a mailbox or a drive approach. These will blow into the road because of wind and Fifth Street is rather narrow. There are a lot of senior citizens in Sandusky and a large number of rental properties and people who own their home will be stuck paying for a service they may not use. Tim Stookey said he utilizes the recycle center on First Street and the city should keep these centers and allow citizens to determine how they wish to take care of recyclables.

Sharon Johnson, 1139 Fifth Street, said this RFP does not allow for competition and a one hauler system could make for bad service because they would be a monopoly and the prices would increase. Sharon Johnson asked if the ECSWD would take care of service and Lisa Beursken said the county would take care of this; Sharon Johnson said she knows how the government operates.

Wesley Pooled thanked the haulers in attendance tonight for being here. The EPA's requirements need to be met and he does not feel the haulers would be unreasonable.

Duke Fultz, FSI Disposal, said he is all for bidding out a particular city or township but if the entire county were included with this RFP, all other haulers would effectively be cut out and not given another chance to bid again; this would eliminate competition. FSI hauls for the City of Huron and every two to three years this contract is let and other haulers have the opportunity to bid and this is what keeps the price lower. Lorain County did this for \$53/quarter, but materials are not taken to a landfill which costs \$60/ton. Before putting anyone out of business, Duke Fultz said his company hauls for Margaretta Township for free and these materials are picked up each week on Monday. They also haul for Vermilion Township for \$25,000 - \$30,000 each year and with a couple more tweaks, this service will pay for itself. Dennis Murray asked why the City of Sandusky's does not pay for itself and Duke Fultz said that is because the city does not have him running it yet. Dennis Murray said the city will most likely get rid of these recycle centers as they are being subsidized by the city and used by persons who do not live in the city. Duke Fultz said his company just installed a Materials Recovery Facility (MRF) in Clyde to take the commodities out of trash and if this would ever be an option, he could take all of his customers back. Dick Brady said it occurs to him the commission cannot solve this issue because the city has seven part-time legislators; when the haulers meet with ECSWD, they can help to develop a plan which will be competitive for all of Erie County. The commission counts on the experts to do this for the city and to take this very seriously as he does believe the city will get rid of the recycle bins.

Dave Vossmer, Republic Services, said his company also invested \$16 million into a MRF in Lorain County where they haul and sort materials for customers in Cleveland, Lorain County and Sandusky. He said they went through this with Perkins Township a couple of years ago and the cart was put before the horse this time as the bid is already out and everyone has to respond to it or they may get left out. Dave Vossmer said he has no problems bidding against other haulers and sometimes you win while sometimes you lose, but he thinks this discussion should have taken place before the bid was put out.

Bernard Hamilton, 1907 Camp Street and spokesperson for Ruffin Refuse, said they are totally against one hauler and this is a penalty for the small haulers. Ruffin Refuse currently offers recycling for free and it is unreasonable to consider allowing one company to come in and bid for the entire city.

Rev. Herman Robinson, 1601 Oakmont Lane, said he agrees with the sentiment that a single hauler would have an adverse transition process as jobs will be lost. The line of communication with customers and quality of service will suffer as well as lack of competition. He cannot think of a single industry which is a monopoly and we should have learned over time competition makes things better for continuity and cost and with the current economy in Sandusky, anything that would jeopardize small haulers would be injurious to the whole commonwealth.

Dennis Murray thanked everyone for their thoughts and thanked Lisa Beursken for putting the issue out there to think about other ways of doing things. Lisa Beursken said she will forward the numbers back to the communities once they are completed.

CURRENT BUSINESS

Upon motion of Julie Farrar and second of Dick Brady, the commission voted to accept all communications. The President declared the motion passed.

ITEM #1 – Submitted by Amanda Meyers, Paralegal

SALE OF PROPERTY THROUGH THE LAND REUTILIZATION PROGRAM, 727MEIGS STREET

Budgetary Information: The cost associated with this purchase agreement is the total amount of the title examination, deed preparation, recording and transfer fees and any other customary fees that may be due and payable in the ordinary course of the sale and purchase transaction. The city will recoup the total cost of the expenses from the nonrefundable earnest money deposit of one hundred and ninety eight dollars (\$198) required to be paid by the purchaser. The taxing districts will begin collecting approximately one hundred forty four dollars and sixteen cents (\$144.16) per year in real estate taxes. The sale of this property will

enhance the surrounding property values and the taxing districts will once again begin collecting real property taxes.

ORDINANCE NO. 14-001: It is requested an ordinance be passed **declaring that certain real property owned by the city as part of the land reutilization program identified as Parcel #57-03982.000 located at 727 Meigs Street, Sandusky, is no longer needed for any municipal purpose and authorizing the execution of a purchase and sale agreement with respect to that real property;** and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Julie Farrar and second of Jeff Smith, the commission voted to approve this ordinance. Roll call on the motion: Yeas: Dick Brady, Julie Farrar, Dennis Murray, Wesley Poole, Jeff Smith and Naomi Twine, 6. Roll call on the ordinance: Yeas: Dick Brady, Julie Farrar, Dennis Murray, Wesley Poole, Jeff Smith and Naomi Twine, 6. The President declared the ordinance passed.

ITEM #2 – Submitted by Amanda Meyers, Paralegal

SALE OF PROPERTY THROUGH THE LAND REUTILIZATION PROGRAM, FOURTH STREET

Budgetary Information: The cost associated with this purchase and sale agreement is the selling real estate agent's commission fee of 5% of the sales price and the total amount of the title examination, deed preparation, escrow fees and any other customary fees that may be due and payable in the ordinary course of the sale and purchase transaction. The city will recoup these expenses from the proceeds of the sale. Although Porter's Memorial Christian Methodist Episcopal Church is exempt from paying real estate taxes, their provision of maintenance has saved the city approximately seven thousand dollars (\$7,000) per lot in maintenance fees since 2006 and will continue to save the city from expending taxpayer dollars to otherwise mow and maintain the parcels. The future expansion of the church will enhance the surrounding neighborhood.

ORDINANCE NO. 14-002: It is requested an ordinance be passed **declaring that certain real property owned by the city as part of the land reutilization program identified as Parcel No's. 57-02299.000 and 57-02300.000 located on Fourth Street are no longer needed for any municipal purpose and authorizing the execution of a purchase and sale agreement with respect to that real property;** and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Jeff Smith and second of Julie Farrar, the commission voted to approve this ordinance.

Discussion: Julie Farrar thanked the members of Porter's Memorial Church for coming forward and wanting to take control of this property and everyone knows what happens to those who do good deeds. Julie Farrar said the church has been taking good care of this property.

Roll call on the motion: Yeas: Dick Brady, Julie Farrar, Dennis Murray, Wesley Poole, Jeff Smith and Naomi Twine, 6. Roll call on the ordinance: Yeas: Dick Brady, Julie Farrar, Dennis Murray, Wesley Poole, Jeff Smith and Naomi Twine, 6. The President declared the ordinance passed.

ITEM #3 – Submitted by Amanda Meyers, Paralegal

ACCEPTANCE OF SEVEN PARCELS THROUGH LAND REUTILIZATION PROGRAM

Budgetary Information: The cost of these acquisitions will be approximately seven hundred and fifty nine dollars (\$759) which includes title exams, title fees, recording fees and transfer fees, but the city will recoup them upon sale. The taxing districts will not collect the delinquent taxes, assessments, penalties and interest currently due and owing in the amount of fifty four thousand one hundred fifty four dollars and ninety three cents (\$54,154.93) of which twenty one thousand nine hundred two dollars and twelve cents (\$21,902.12) is owed to the city for assessments. Demolition of the structures will be paid for with either community development block grant funds or out of the city's nuisance removal fund and will not be recouped. By returning this non-productive land to tax producing status, the taxing districts will begin

collecting approximately eight thousand two hundred forty seven dollars and fifty one cents (\$8,247.51) yearly in real estate taxes and assessments.

RESOLUTION NO. 001-14R: It is requested a resolution be passed **approving and accepting certain real property for acquisition into the land reutilization program;** and declaring that this resolution shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Julie Farrar and second of Jeff Smith, the commission voted to approve this resolution.

Discussion: Julie Farrar clarified 1201 Parish Street is a buildable lot and Dennis Murray noted this was distributed as revised. Dennis Murray asked what distinguishes between buildable or unbuildable and Julie Farrar said the lot size determines this (anything smaller than 40' x 125' is unbuildable).

Roll call on the motion: Yeas: Dick Brady, Julie Farrar, Dennis Murray, Wesley Poole, Jeff Smith and Naomi Twine, 6. Roll call on the resolution: Yeas: Dick Brady, Julie Farrar, Dennis Murray, Wesley Poole, Jeff Smith and Naomi Twine, 6. The President declared the resolution passed.

ITEM #4 – Submitted by Aaron M. Klein, P.E.

MEMORANDUM OF UNDERSTANDING FOR HAULING PERMIT WITH ERIE COUNTY FOR OVERSIZE AND/OR OVERWEIGHT VEHICLES

Budgetary Information: There is no cost to the city. All fees collected by Erie County for the permitting process would be retained by them for managing the program.

ORDINANCE NO. 14-003: It is requested an ordinance be passed **authorizing and directing the city manager to enter into a memorandum of understanding with the Board of Erie County Commissioners for the issuance of hauling permits;** and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Jeff Smith and second of Wesley Poole, the commission voted to approve this ordinance.

Discussion: Dennis Murray asked how long this arrangement has been in effect and what the net fiscal impact is. Aaron Klein said this is the first year and he understands the Erie County Sheriff's office has indicated this would net approximately \$750 for the City of Sandusky which would go to the county as the program administrator. Aaron Klein said municipalities were not forced to enforce this previously and the county has taken on this responsibility. Dick Brady said he has analyzed this and agrees wholeheartedly with the engineer's assessment. For the city to take on this burden for \$750, he cannot see how it makes sense to tie up our staff. This is an instance where allowing the county to take this on makes sense for the city.

Roll call on the motion: Yeas: Dick Brady, Julie Farrar, Dennis Murray, Wesley Poole, Jeff Smith and Naomi Twine, 6. Roll call on the ordinance: Yeas: Dick Brady, Julie Farrar, Dennis Murray, Wesley Poole, Jeff Smith and Naomi Twine, 6. The President declared the ordinance passed.

CITY MANAGER'S REPORT

Upon motion of Julie Farrar and second of Wesley Poole, the commission voted to accept an anonymous donation to purchase and install a gate at the Shoreline Park shelter (\$2,284 value). The President declared the motion passed.

Upon motion of Jeff Smith and second of Naomi Twine, the commission voted to accept a donation from the Wightman Wieber Charitable Foundation for the greenhouse in the amount of \$1,000.

Discussion: Nicole Ard thanked Victoria Kurt - recreation program supervisor, the staff in facilities maintenance – D.J. Loomis and Bill Burch, and grounds keeping staff who tend to city parks and playgrounds for their assistance with the Sandusky Bay Pavilion and other city parks.

The President declared the motion passed.

Upon motion of Julie Farrar and second of Jeff Smith, the commission voted to accept an in-kind donation from Jeff Krabill for his payment of horticultural services with TruGreen at Facer Park (\$231.40 value) as well as for his personal time and support along with the Erie County OSU Alumni Club. The President declared the motion passed.

Nicole Ard thanked all city staff for their efforts with the recent **extreme weather conditions** and stated they did a great job under very unusual circumstances. Dennis Murray echoed these remarks and said he meant to mention this at the start of the meeting.

Nicole Ard thanked **Officer Cameron Greenawalt and other police officers for their recent drug seizure of 17 lbs. of marijuana.**

Nicole Ard said there is a **new medical director for the Sandusky Fire Department.** In February, Dr. Pat Tupa will replace Dr. John Schill and a communication will be presented to the commission for consideration. Dr. Tupa will be added to the city's insurance.

Nicole Ard said the city received word the **Erie County Solid Waste District will provide \$1,000 to the City of Sandusky for its 2013 yard waste drop-off program.** This payment will go directly to Barnes Nursery.

Nicole Ard said the city received notification of **approval for the Job Access and Reverse Commute grant application** and will return paperwork to the State of Ohio confirming this funding.

Nicole Ard said she has **paperwork for CDBG closeouts** which have been finalized.

Julie Farrar asked the **status of the Sandusky Transit System (STS) bus shelters.** Aaron Klein said they are scheduled to be installed at the beginning of February but with the weather and snow on the ground, this may be delayed. Julie Farrar asked if there will be issues with easements and Aaron Klein said this work was done prior to installation of the concrete pads which are all in city rights-of-way. Dennis Murray asked who is responsible for areas outside of the city's corporate limits and stated he sees people at Kroger's waiting for this bus and it is a shameful situation. Aaron Klein said since the city owns the STS, it would be our responsibility and he can speak with the different businesses and governmental entities to see if they would like to discuss cost sharing. Dennis Murray said he does not know why this is the city's responsibility and the city does not make any money with STS, yet he understands the city provides approximately \$500,000 each year for the STS from the general fund. Wesley Poole said the STS belongs to the city which is why we are responsible for it and if there is a stop on private property, we may be able to negotiate with the property owner but if it is in the right-of-way, it would be the city's responsibility. Aaron Klein said as far as infrastructure, he would assume the ultimate responsibility lies with the city although he does not know about the liability of persons standing in the right-of-way or other areas. Dennis Murray said he would appreciate it if Thomas Schwan could provide a presentation at a future commission meeting. The city provides transit services for all of Erie County and he does not know why Sandusky is pouring half a million dollars and subsidize STS and there is only so much the city can afford. It is time for others to start picking this up or the city may have to ask the question about getting out of the transit business. This is a wonderful service the city is providing to Kalahari, which is in Perkins Township, and he does not know why the city is paying for this. There are other businesses which rely on this service and he thinks they should step up and contribute more and he would like to start this conversation. The way to do this is to invite Thomas Schwan to come to a meeting and speak about the program. Dennis Murray said he read articles in the newspaper about transit and would like to understand how we got to where we are and how

we got to paying so much for this service. He would like to begin speaking to other local governments about how they are going to bear their fair share. Aaron Klein said he spoke with Thomas Schwan last week at an inter-department meeting about advertising the Request for Proposals to reduce the transit's reliance on the general fund which will be approved soon. One of the topics of this conversation was to continue to contact other communities to figure out what their incentive is. The city just received a check from Vermilion for last years' service but he does not know what the incentive is for each community or if they will be willing to negotiate to provide more. Julie Farrar said the STS takes citizens to Perkins Township, to the City of Huron and to Huron Township and other areas to shop, work and spend money. It would be justified to have some dialogue with the township and/or the college or the Veteran's Home to see if they would be willing to provide additional shelters. Kroger's does not want all of this congestion outside of their door and is why customers are waiting out by the street; people wait near the mall and at the college by the roadway as well. Dick Brady said it is an excellent suggestion for Thomas Schwan to provide a brief presentation to the commission so he has knowledge about other contributors to the STS such as Serving Our Seniors and the Erie County Commission, but asked where the parity is and why Sandusky is the big player. Dick Brady said perhaps Thomas Schwan can tell where the riders are from and provide numbers/counts for these other entities. Naomi Twine said the Ohio Veterans Home invited Thomas Schwan to speak and he was very helpful. They have a shelter and she is certain he will be willing to work with other communities to figure out what can be done. Wesley Poole said Thomas Schwan organizes and manages the service we provide and he has obtained additional business for the city. The question about the benefit of those who are taken to different locations and dealing with other businesses or negotiating whether or not they need to contribute is above Thomas Schwan. This is something the city manager will have to do for us and she can be directed to look into this and then evaluate whether or not we can solicit other contributions.

Dennis Murray asked for an update regarding the **Sandusky Bay Pavilion property** and Nicole Ard said she has not received feedback from the Foundation or BGSU and does not know the status, but she can follow up with them. A revised proposal was submitted from the National Trust for Public Lands (NTPL). Dennis Murray asked if this is still at the point where they are proposing to contribute to the fund to provide a site at the facility and Nicole Ard said the proposal from the NTPL was about funding a master plan. The last conversation with BGSU, after a walk-through of the facility, indicated they were going to provide the city with information about what portions they might eventually use to help the city be able to ensure events can still take place. Aaron Klein said city staff met officials from BGSU on-site and walked through the facility and they were going to get back with the city about their needs for the facility. They seemed very interested in the building to the east where there is a kitchen and which is currently used as storage. Dennis Murray said the city is still waiting to hear from the foundations about whether they will fund the master plan and to follow up with them as enough time has elapsed that they might now have some idea what they want to do.

Wesley Poole asked about the **parking study by Kimley-Horne** which is being completed and Nicole Ard said she understands from the Sandusky Main Street Association a presentation will be made at the next commission meeting. Dennis Murray said he asked for a copy of the report in advance of the presentation and if this cannot be done, the presentation will be moved forward. Wesley Poole said when initiated, there were several citizens who came to the podium and asked the clerk to notify them when this presentation will take place.

Nicole Ard said she provided a document outlining potential **budget** items for the commissioners input and to help with making decisions. Some of the items relate to contributions paid by employees toward their health insurance premiums, changes in compensation for employees including floating holidays and/or future longevity for new hires. Nicole Ard said she would like to receive some feedback about these areas. Nicole Ard said the recycle containers have also been discussed. The police and fire unions have met about making some changes although the AFSCME members have not yet had a meeting. Nicole Ard said she has asked questions about the city's health insurance and contributions made by employees which is up to \$50; an additional contribution of \$10, \$25, \$50 or \$100 could be made with a mechanism for employees to be provided holiday or comp time. The employees have gone

above and beyond and Nicole Ard is looking at other ways to save money and there may be other ideas such as closing the marina or golf course; Dennis Murray said the city will not consider closing the greenhouse or golf course. Nicole Ard said one idea mentioned, which does not help the city in terms of revenue, is to not hire staff at the boat launch facility. There could be a kiosk system installed which would net approximately \$14,000 in staff savings and the city would still need to maintain the facility. This is not good customer service to try and promote tourism, but would help the city to realize some savings by providing a service at a different level.

Dennis Murray asked Hank Solowiej to provide an update as to where the city is now with current projections. The commission has bantered about the police and fire unions' willingness to make certain concessions and a higher but sustainable level of withdrawals from the EMS fund proceeding forward. Dennis Murray asked where all of this leaves us in terms of a deficit which would require the city to draw down its reserves. Hank Solowiej said total revenues were up about 6.3% in December, 2013, which is an increase of approximately \$1 million to revenues from December, 2012. The bad news is about half of this amount was not expected (estate tax increase and workers' compensation refund). The majority of the rest of this increase can be attributed to the positive results of the tourism industry and the new ride at Cedar Point. The admissions tax was up by approximately 11%. The beginning balance for the general fund was a lot better than originally forecasted and the city finished the year at about \$4.2 million rather than the projected ending balance of \$3.9 million - \$4 million. Hank Solowiej said when looking at the equation for the 2014 budget, the city has a \$4.2 million starting balance and initially he started looking at trying to get to an ending balance of \$3.9 million or 24%; estimated revenues for this year are approximately \$16 million and part of this includes an adjustment to EMS fees with the general fund to reflect a higher amount than is currently allowed with the ordinance. The fire chief is planning to request the commissioners to amend this ordinance and allow \$400,000 to go to the general fund and this is why the revenue number is a lot higher than in prior versions of the budget. Hank Solowiej said with the different proposals, ideas and concessions presented by the fire chief and police chief, this takes us to approximately \$16.4 million in expenses and this will get us to about \$3.8 million or approximately 23%. Hank Solowiej said the city will wait to hear about discussions today concerning the recycle bins as this will impact the 2014 budget; this is another \$65,000 to reduce from our expenses and get us to the \$3.9 million level. Hank Solowiej said he believes it would be fair to let the police chief and fire chief speak about the work they have done and stated they should get a lot of credit for getting us to where we are today and being in a more manageable spot for 2014. Hank Solowiej cautioned 2015 and 2016 will be more challenging. Dennis Murray recapped assuming the \$65,000 - \$70,000 savings from the recycling centers, this would take the city to a net spend down, as the budget is currently drafted, of approximately \$307,000 or 23% - 24% of reserves, and to try and limit the spend down since it is a fluid number; currently this is at approximately \$200,000.

John Orzech said he provided a memorandum about proposed cuts in the police department which amount to \$72,500. John Orzech said there is a realization the city is in tough times and the union members understand this and are trying to work with the commission and the administration to get to where we need to be. John Orzech said he knew approximately six months into 2013 the expenses for holiday payout would be unaffordable and officers were pushed to use their holiday time rather than receive a payout which ended up being only \$13,000; the year before it was \$56,000 and this is a credit to the officers on the department. In addition, the members of the department have agreed to waive the contractual physical fitness requirement for 2014. The police officers desire to keep reserve officers in cruisers which the commission also seems to be in full support of. John Orzech said a lot of credit goes to Paul Ricci as well for taking on dispatch services this year.

Paul Ricci said this was a tough year for all of us and he has worked with other department heads and the labor force has stepped up because they realized what was happening. A little over two years ago when other city departments took cuts, the fire department was fortunate to secure a federal grant knowing one day it would run out. Fortunately there is a balance left to help in the next few months and he realized cuts would have to be made. Through the

efforts of staff on the department, they were able to cut back and make concessions to enable them to get to the number discussed previously. Paul Ricci said he has had an opportunity to work with some pretty incredible people and said John Orzech, Aaron Klein and Rebecca Corrigan have a lot of new and invigorating energy and in years past, staff worked as separate departments toward a goal, but they are all working together now. This is enriching and rewarding and the challenge given to reduce expenditures enabled them to work together to get to a number that seemed insurmountable at the end of last year. With the ability to get into the carryover and the ability to speak to the commission later in the year about changing the amounts of the EMS reallocation to better reflect their unique situation puts all of us in a better position. Paul Ricci said they are very close and the numbers will bear this out. Paul Ricci said John Orzech is very gracious in his accolades, but it took everyone working together to make this happen and the citizens of this city are better for it today and the staff will work just as hard, if not harder, this year.

Dennis Murray thanked the police and fire chiefs and all of the men and women in the police and fire departments for their cooperative efforts and for meeting the targets set out and stated he knows all of the commissioners are very grateful for their many sacrifices and this is appreciated. Dick Brady said an important point is the commission mistakenly talked about getting rid of a police officer but this was the wrong approach to use and John Orzech picked up on this. The commission was able to assign a value to this and John Orzech was able to realize this value/savings of \$72,500. It is important our citizens know the chief got to this number without losing one police officer or reserve officer and we are just as safe tomorrow as we are today. Dick Brady said the other point which spreads across both police and fire is this kind of cooperation among unions is somewhat unprecedented. So often it is an "us against them" mentality but he does not feel this and he is a pretty good judge of character and body language. The employees understand we are all in this boat together and he feels now like we are rowing downhill together and thanked the commissioners and staff members who got us to this point. Dick Brady said we are talking about spending down reserves and finding another \$300,000 and we will find this somewhere.

Dennis Murray said he did not really understand the choices being set forth in the memorandum distributed by the city manager although he understood the general nature of the topics. Dennis Murray said he sees the positions as they are laid out and noticed choices with respect to health care coverage and said it seems to be one of the problems bedeviling the city, every other municipal government and most businesses. Dennis Murray said he does not know about closing the Shelby Street boat launch facility and said this does not seem to be a big dollar item, but there are a lot of changes that could be made with the golf course which would cause less of a drain on the general fund. Dennis Murray noted the golf course does cost the city money, but it may operationally be close to breaking even as we do not count anything for depreciation of capital expenditures and anyone running a business would consider these over the municipal life. The golf course is a user of city revenues and he wants to make this clear; people have said they value the golf course and want to keep it as well, within reason. Dennis Murray asked Nicole Ard to explain to the commission what she sees as the menu of choices other than closing the boat ramp or passing on increases in health care coverage to employees.

Nicole Ard said she provided a variety of different things based on commission feedback regarding health care coverage, potential early retirement and employees who may participate in the public safety D.R.O.P. program or who may be ready to retire and their respective severance packages, concerns about staffing, and other things which can be done to reduce our costs. The first thing noted was about health insurance. Employee health insurance contributions have increased in the past year and currently these are at a level lower than other places and if this is to change further, we would need to have this discussion with employees if it is going to be higher than anticipated for next year and/or the following year. The city's participation in the Buckeye Ohio Risk Management Association (BORMA) would deter any cost savings in terms of spousal support or ending our participation absent a study to identify whether or not this will be beneficial for us. Nicole Ard said staff has told her in their discussions with our consultant, the city could stop covering spouses, but there are a series of things which would need to be done in order to make sure this is feasible. This would not have

a direct impact for the city unless the rest of the BORMA participants do the same as our current coverage is either for the employee, or the employee and their family (not the employee and their spouse). Dennis Murray clarified every member of BORMA would have to opt-out in order to make this change and Nicole Ard said any potential savings which might take place would go to BORMA rather than coming to the city. Nicole Ard said she believes the commission is looking for some impact for the city, but the BORMA group would have to be in agreement to make this type of change through some sort of study. Dennis Murray said this is a complicated legal question and asked Don Icsman to take a look at this to see if the feedback the city is getting from BORMA is accurate. Dennis Murray said this does not seem to ring true to him. Nicole Ard said she is speaking of the city's consultant for insurance services.

Dick Brady asked if the information contained on the spreadsheets are real numbers or hypothetical numbers. The vacant position of police lieutenant is listed at a savings of \$108,000 to the general fund, but asked if this is currently in the budget. Nicole Ard said in the second draft of the budget, the position of lieutenant is listed, but we do not know what is going to happen with the position given the litigation associated with it. Dick Brady said there really is \$108,000 in this budget if we do not fill this position and Nicole Ard said there are extenuating circumstances in addressing litigation with this position as there is a lower level position tied into it. Wesley Poole asked Nicole Ard to expand on the concept of litigation and what will happen if the position of lieutenant is eliminated. Nicole Ard said this litigation involves a police officer who was let go and this is in the process of being appealed. Wesley Poole said essentially, because the litigation may not go our way, we have to keep this money here and this is why it is in the budget. Wesley Poole said this is about providing guidance to the city manager and on the list of items, without picking out one line item, to please do all of the things outlined and let the commission know what the impact to the budget is for each item as well as affects to service. These should be put into a priority order to do an analysis and numbers need to be placed with each item. Wesley Poole said as far as he is concerned, he would just assume save all of this money, but there is probably a pecking order of what would give the city the most bang for its buck and what would cause the least disruption in services. He does not have the information needed to do this. Nicole Ard said her recommendation for reducing contractual services would be to stay away from actual city positions. There have been discussions in work sessions, in audit/finance committee meetings and with union representatives about the operational impact on our services and departments in terms of cutting positions currently filled or deferred, and she would prefer to defer hires rather than cutting someone. Nicole Ard said she has provided the opportunity for the commission to make a recommendation for contractual services and outside legal services, the engineering consultant services and allowing more than the current \$50 per pay for health insurance coverage. Nicole Ard suggested working out some type of compensation exchange for this and these are types of things that can help the city in 2014 and 2015. The compensation items listed (longevity and floating holiday) are acceptable to try and work on long-term. This will require meetings with employees and union officials and she would like some direction to be able to do this and work with legal staff; these are her personal suggestions to the commission. Wesley Poole said the opportunity is the city manager's and the expectation is for the city manager and staff to go through this list, prioritize and note the impacts. Limiting outside legal services is a great idea, but the commission needs to know how the city manager and the law director are going to figure out or propose how things can be done and to provide a plan for implementing them. Wesley Poole said he does not know how outside legal services are generated, but perhaps there is something he has missed. Don Icsman said he has never had this discussion with anyone and he would point out outside legal services were reduced last year by \$100,000 from the previous year and the city has not spent this low of an amount for the past five years. Don Icsman said as the commission knows, the city needs assets and resources to solve problems and he (Don) is the civil law department and does the best he can and works as hard as he can. He is here every day, but some legal work is done by bond counsel and he is not capable of doing this. Don Icsman said this is a specialized area and to be careful about what is being cut from other budgets as these are specialized consultant services being utilized. Contractual services is more than just legal services and his department uses this line item for phone bills, insurance and other expenses. Don Icsman said the commission said something to him about this last year and wanted \$100,000 and this is what he gave them; he is prepared to

give another \$100,000 this year, but does not want anyone to think they can just do this as it is not the way it works. Dennis Murray said litigation is not terribly controllable either and sometimes things are covered by insurance while at other times they are not and there are specialized services that cannot be provided by the law director. His own law firm sometimes utilizes specialized services for legal issues for which they do not have the expertise and which would be too expensive to develop in-house.

Naomi Twine said she believes Wesley Poole is asking the city manager to meet with the department heads and then advise the commission what type of impact(s) each item would have for the city so the commission has a better idea of what choices to make. Dick Brady said the list is now a lot smaller because the police and fire departments are done with their cuts, are untouchable and have gone as far as they can go. This leaves the law department coming up with the cash, or getting into collective bargaining agreements and asked how practical this would be. Nicole Ard said she would respectfully ask to have these discussions with each of the employee groups and while it may seem seamless one group is giving something up while another is not, this is something she will discuss with all of the groups and it will impact some of the activities in terms of engineering consultants or legal fees and direction will be helpful. Wesley Poole said there may not be anything the city can do as far as the day-to-day operational effects regarding overtime, but we need to address the management of how we spend our money and how we utilize our people. Dennis Murray stated we are, in part, in our current situation because of rising health insurance costs and this raises the perennial question of whether the taxpayers should be asked to bear these additional costs through reduced services or whether this is something where we ask for some shared effort. As things are currently, city employees pay less than those of other political subdivisions and if he understands correctly, if employees pay an additional \$100 per month, the impact on the general fund would be \$113,040. Nicole Ard said she is not comparing to other local governments. She has indicated based on numbers from other resources, 126 employees would be estimated for health insurance from the general fund, 29 employees are in the water fund and 28 employees are in the sewer fund, along with some other divisions. Nicole Ard is asking for an additional contribution from \$10 up to \$100 while trying to provide a rough estimate for some type of compensation back to the employees in the form of one holiday or compensatory hour, and to be able to provide this as an incentive to participate beyond what is currently allowable in terms of asking for an increase. Dennis Murray said he is not sure she (Nicole) recalls the question which he asked. All of the general fund employees would be asked to pick up an additional \$100 per month and asked if this amounts to \$113,000. Nicole Ard said this includes the \$63,000 and is an estimate based on an hourly rate split across different departments so this is very rough. If employees were asked to pay an additional \$100 each month, the city would offer them an hour of holiday or compensatory time and they would not be paid at the end of the year for *not* using these hours. Naomi Twine said she still does not understand how this is working because it sounds like we would still be giving something back to the employees; this does not make sense to her and she asked for clarification. Nicole Ard said she understands the commission would like to be able to add the extra \$50 - \$100 contribution for health insurance but to try and help make this adjustment for folks who had not anticipated it this year based on the completed contracts, something could be offered. Naomi Twine said this would mean, in reality, the employees are still not giving up an extra \$50 because we would be giving them time off. Jeff Smith said what he believes is being said is the city has already negotiated the contract and it would be easier to do this than renegotiate them. Nicole Ard said the idea is to try and offer some type of an incentive to participate. Dennis Murray said he thought the city manager indicated the existing contracts allow the city to increase, under certain circumstances, the employee contribution by \$50 per month and what he is trying to get at is what the value of this is to the general fund which he understands is approximately \$75,000. Nicole Ard said the total amount shown (\$113,000) includes an incentive. Dennis Murray asked if this means that if all of the employees which impact the general fund were to pay an additional \$50 per month, the amount would be \$75,000 and Nicole Ard said this would be dependent upon how many people are participating. Nicole Ard said she was given a number of 126 employees who participate in our health insurance. Julie Farrar said she is a union member and is starting her ninth year without a raise and she, along with 24,000 other state employees, had to make concessions to Governor Kasich and Governor

Strickland to help with the economy. This is what members of the police, fire and AFSCME unions have done. If it were her, after making these concessions, her employer were to thank her and then state they were going to raise health insurance premiums, it would be a smack in the face to those who just helped the city get to a workable number. Julie Farrar asked what the city would be looking at if it were to stop with the current concessions made by the police and fire departments. Hank Solowiej said the ending balance would be \$3.8 million if we stopped making cuts today. Dick Brady asked what the number will be which we will draw out of reserves and he believes it is \$307,000; Hank Solowiej said the city is at \$309,000 without doing anything about the recycling bins or without doing anything else. Dennis Murray said he is not necessarily suggesting to go here, he is just trying to understand the math of what is on the menu. Wesley Poole said he is not in favor of changing contributions for the employees in departments which have already made voluntary concessions from their contracts for hospitalization to save the city money. He has not been given enough information about the overall impact which any of the items presented will have and he does not want to give the impression the commission is going to do some things if they do not make sense. The commission needs to know which things are most important, and why, before making a decision. Dennis Murray said a particular request has been made and asked Nicole Ard if she feels enough direction has been given in terms of information they would like to receive back before the next meeting.

Nicole Ard said she understands the commission is not interested in requesting health insurance contributions city-wide without AFSCME and administrative employees, including court. Wesley Poole said the police and fire employees have already made concessions and to step gingerly around this and make sure it is communicated and then bring this back to the commission. The point is the commission respects some employees have already made contributions and need to recognize others which are made. This is about looking at the whole picture and coming back to the commission with a list of priorities and then decide whether to reduce a particular department or staff member. Wesley Poole said he wants to know what the down side is to each item. Jeff Smith asked Nicole Ard if a meeting has been scheduled yet with members of AFSCME; Nicole Ard said they met informally to request feedback and she will try to set up another meeting with them. Nicole Ard said she wanted them to have the opportunity to talk amongst themselves first. She can move forward and has started to work on formal proposals, but has been asked to do this gingerly with the non-police and fire personnel regarding contributions toward health insurance.

Nicole Ard said in terms of staffing changes and so everyone is very clear, this requires a legal process. There are several part-time and seasonal positions that would have to be reduced before getting to a full-time position and most of these are folks that would be reduced and may not necessarily be general fund positions. There are different work crews and street services, sewer services including several employees who have just been hired as well as horticultural staff and part-timers. As the memorandum states, there are operational impacts in terms of reductions and reduced budgets and this is why health insurance would be a concession as it is contractual, or reduced street repairs, leaf collection and street light repairs can be taken into consideration as definite impacts. Dennis Murray said there are also alternatives which may be cost effective to change such as doing street repair ourselves. Nicole Ard said this is the legal process and in particular with the electricians, we talked about what is being done with these positions and/or contracting them out. Dennis Murray said these are all valid points, but the commission is asking for other ways to save money by using less overtime, by restructuring how we resurface and this will require further capacity to evaluate. Nicole Ard said if this is the direction, this allows her to work with outside counsel and have these discussions with folks as she has only spoken to them as a general discussion in terms of alternative services but discussions about insurance and other things gets a little more sensitive. Nicole Ard said she respects their processes. Wesley Poole said to set a guideline with regard to dropping spousal support from the plan and this does not seem to be realistic to do. Julie Farrar said this was done when she was on the school board; spouses of employees who were offered health insurance elsewhere were required to use it and the school only covered their employees and this is a totally different ballgame. Wesley Poole said he does not know if this will save enough money to make it worth spending a lot of hours and time

investigating to no end. Dennis Murray said this is why he asked Don Icsman to take a look at this issue and there are insurance laws and contracts and to find out if the insurance consultant is giving the city an accurate answer and, if so, find something else to cut. Julie Farrar said by the next meeting the commission would expect the city manager to know what cuts the city can provide for certain, and others which may be recommended along with a list of the bad points of each so they know what they are working with. Dennis Murray said he thinks the ongoing nature of budget discussions is affecting the morale of city employees and this needs to be brought to a conclusion. Budget conversations can always be reopened at any point in the year, but it would be his hope legislation will be ready for approval at the first meeting in February in order to bring this to a close and let people know where everything stands. In order to be consistent with this, Dennis Murray said he would like to have a budget available for a public hearing at the first meeting in February. Hank Solowiej said this will need to be advertised at least five days prior to the hearing along with the budget numbers.

OLD BUSINESS

None.

NEW BUSINESS

Upon motion of Dick Brady and second of Wesley Poole, the commission voted to hold an executive session regarding the sale of real or personal property. Roll call on the motion: Yeas: Dick Brady, Julie Farrar, Dennis Murray, Wesley Poole, Jeff Smith and Naomi Twine, 6. The President declared the motion passed.

Upon motion of Naomi Twine and second of Jeff Smith, the commission voted to hold an executive session regarding personnel, city manager. Roll call on the motion: Yeas: Dick Brady, Julie Farrar, Dennis Murray, Wesley Poole, Jeff Smith and Naomi Twine, 6. The President declared the motion passed.

Upon motion of Jeff Smith and second of Dick Brady, the commission voted to authorize the Clerk of the Commission, Kelly Kresser, to be the designee for the annual Ohio Sunshine Law training on behalf of the Sandusky City Commissioners according to the Ohio Revised Code's education requirement for elected officials. The President declared the motion passed.

Upon motion of Julie Farrar and second of Wesley Poole, the commission voted to adopt Rules of Order as distributed in draft form to the commissioners. The President declared the motion passed.

Upon motion of Jeff Smith and second of Naomi Twine, the commission voted to adopt the new commission liaison appointments to boards and commissions as well as the liaisons for city departments outlined in a draft memorandum distributed to the commissioners with one change noted: Keith Grohe will remain on the Cemetery Board.

Discussion: Julie Farrar indicated she would like to see the liaison for Planning and Development be the same for Downtown Design Review, Downtown Parking and the Erie Regional Planning Commission as they relate to each other. Dennis Murray asked Julie Farrar and Wesley Poole to have this conversation, but to adopt this as drafted currently for now.

The memorandum outlined the board and commission liaison appointments as follows:

Board/Commission

ADA Advisory Board

Audit/Finance Committee

Bayfront Corridor Committee

Board of Zoning Appeals

Liaison

Wesley Poole

Dick Brady, Regular Member

Dennis Murray, Alternate Member

Wesley Poole

Dick Brady

Board/Commission

Cemetery Board
 Downtown Design Review
 Downtown Parking
 Erie County Council of Governments

 Erie County Economic Development
 Erie Regional Planning Commission
 Recreation Board
 Revolving Loan Fund Committee
 Sandusky Tree Commission
 Regional Water Advisory Board
 Tax Incentive Review Council
 Human Relations Commission
 Planning Commission

Liaison

Keith Grohe
 Julie Farrar
 Wesley Poole
 Dennis Murray, Regular Member
 Naomi Twine, Alternate Member
 Dick Brady
 Julie Farrar
 Jeff Smith
 Julie Farrar
 Jeff Smith
 Dennis Murray
 Dick Brady
 Naomi Twine
 Wesley Poole, Regular Member
 Julie Farrar, Alternate Member

The memorandum outlined the following departmental liaisons as follows:

Department/Division

Administrative Services
 City Manager
 Engineering
 Finance
 Fire Department
 Law Department
 Municipal Court
 Planning/Development
 Police

Liaison

Julie Farrar
 Dennis Murray
 Dick Brady
 Dick Brady
 Keith Grohe
 Dennis Murray
 Jeff Smith
 Wesley Poole
 Naomi Twine

The President declared the motion passed.

Upon motion of Julie Farrar and second of Jeff Smith, the commission voted to approve the reappointments to various boards and commissions, as outlined in a memorandum from the commission clerk and as follows:

BOARD/COMMISSION	STATUS	NEW TERM EXPIRATION
<u>ADA Advisory Board</u>		
Terry Michaels	Reappointment	12.31.15
Dr. Anthony Linz	Reappointment	12.31.15
Gary Guendelsberger	Reappointment	12.31.15
Carol Steele	Reappointment	12.31.15
<u>Audit/Finance Committee</u>		
Dave Hoffman	Reappointment	12.31.15
Brent Gardner	Reappointment	12.31.15
Craig Stahl	Reappointment	12.31.15
Al Nickles	Reappointment	12.31.15
<u>Board of Zoning Appeals</u>		
Walt Matthews	Reappointment	12.31.18
<u>Electrician Examining Board</u>		
Dan Fresch	Reappointment	12.31.14
Dan Hartleib	Reappointment	12.31.14
Kenneth Tunnell	Reappointment	12.31.14
Rudy Ruiz	Reappointment	12.31.14

BOARD/COMMISSION	STATUS	NEW TERM EXPIRATION
<u>Erie Regional Planning Commission</u>		
David Miller (<i>Alternate</i>)	Reappointment	12.31.14
John Panzer (<i>Regular</i>)	Reappointment	12.31.14
<u>Fair Housing Board</u>		
Chris Tulupan	Reappointment	12.31.18
<u>Planning Commission</u>		
Peter McGory	Reappointment	1.18.20
<u>Recreation Board</u>		
Jackie Collins	Reappointment	12.31.16
Sherrie Waddington	Reappointment	12.31.16
<u>Sandusky Tree Commission</u>		
Breann Hohman	Reappointment	12.31.16
Joe Viviano	Reappointment	12.31.16
<u>Solid Waste Collection Review Board</u>		
Karen Gerold	Reappointment	12.31.16
Dave Waddington	Reappointment	12.31.16
John Poole	Reappointment	12.31.16

Discussion: Dennis Murray said the persons being considered for reappointment have all been contacted to determine their interest in remaining on each respective board or commission and they have all agreed to continue serving.

The President declared the motion passed.

Dennis Murray said he received a nice letter from **Mayor Hartung from the City of Huron** regarding open communications and regional collaboration and asked the commission clerk to provide a copy to the other commissioners.

Dennis Murray said there will be **three community celebrations honoring Martin Luther King, Jr. on January 18 (1) and January 20 (2)**, and asked the commission clerk to speak individually with the commissioners to determine their availability for these events.

Dennis Murray recognized Hank Solowiej for **receipt of an award from the Government Finance Officers Association of the United States and Canada for excellence in financial reporting**. The city has been a recipient of this award for a number of years and he said Hank Solowiej does a fine job for the City of Sandusky and congratulated him.

AUDIENCE PARTICIPATION

Andy Ouriel, Sandusky Register, said he understands cuts have been made in the police and fire departments and asked what these cuts mean for manpower and dollars as the spreadsheet was confusing. Paul Ricci said under the current proposal and the amended budget, there will be a layoff of four fire fighters after the second pay period in May. This is because there was a balance in the SAFER fund to pay for fire fighters for six months starting in December. The cuts made in the fire department were made in personnel, concessions were made in the contract for overtime and some contractual services. John Orzech said the police department budget was reduced by \$38,200 for physicals, \$30,000 for holiday payout and \$10,000 in contractual services. Paul Ricci said the layoffs will save \$483,000, less \$176,000, and Andy Ouriel asked the bottom line after these proposals. Dennis Murray said \$307,000 is the amount we are still looking to take from the reserve. If no further changes are made, this is enough. Dennis Murray said he does not know if there is a consensus as to what the commission is comfortable with, but they were more comfortable with a number closer to \$200,000. Andy Ouriel said the EMS

money will help offset this deficit, and asked what other cuts can be made. Beyond the \$75,000 being spent on the two recycle centers, Dennis Murray said he does not know.

Daniel Claar, Harrison Street, thanked the police and fire chiefs, the city manager and Jeff Smith for all of the good work they do. As Americans, we need to consider the state which our federal, state and local governments are in and employees have been provided great benefits over the years. The police officer and fire fighter benefits should probably never be taken away because they put their lives on the line every day. We need to look into our own hearts and ask what the impact is of continuing benefits we receive from the taxpayers. The people are the government and there are more burdens all of the time and government employees need to consider the benefits they are given in relation to the state of the economy.

Sharon Johnson, 1139 Fifth Street, asked the status of the Keller Building demolition and Dennis Murray said this is the topic of one of tonight's executive sessions. Sharon Johnson asked if fire fighters have been laid off and Paul Ricci said this is in the making. Sharon Johnson said she is confused about the grants for the fire fighters and asked who is paying for them now and if it is the city using leftover grant money. Dennis Murray said he understands they are being paid with leftover grant money. Paul Ricci said there was \$176,000 left from the original grant and the city asked for the remainder of this money. Email approval was sent from the grant directorate. Paul Ricci said four fire fighter positions would be laid off and two would be kept because of the concessions made by the labor organization.

Tim Schwanger, 362 Sheffield Way, asked if the \$400,000 to be taken from the EMS fund would be for one year only and Dennis Murray said this would be a revision to what is done now. Currently, \$150,000 is taken from the EMS fund and this amount significantly exceeds what is required. Rather than having reallocation, the proposal is to move to a different but higher or sustainable level of annual withdrawals and allow this money to build up. Tim Schwanger clarified an additional \$250,000 would be taken which, in addition to the \$150,000, makes up the total of \$400,000. Tim Schwanger asked about discussions to eliminate leaf collection and Dennis Murray said a proposal has been bantered around to charge for leaf collection, but no decision has been made. Dennis Murray said crews are behind because of the weather and leaf collection will resume. Aaron Klein said a revised schedule for each zone will be released. Additional staff from other divisions will assist in picking up leaves. Tim Schwanger asked if any action is anticipated in open session after the executive sessions and Dennis Murray said he does not personally anticipate this.

Tim Stookey, 1307 Fifth Street, said he recently went to the Erie County Auditor's office and looked at the distribution of tax dollars. There is a sub account under Sandusky City for police, fire and the general fund. Hank Solowiej said there is \$140,000 for police and fire levies, \$1.6 for the general fund and an amount for the Sandusky Library fund. Tim Stookey asked if this was voted on by the people and asked if the city commission can arbitrarily increase this. Dennis Murray said the commission cannot increase these on their own as it does not have the authority, and he does not know how these got there in the first place but perhaps the auditor does.

The President announced a recess of the regular session at 7:27 p.m. Two executive sessions were held beginning at 7:32 p.m. The President announced adjournment at 9:20 p.m.

Kelly L. Kresser, CMC
Clerk of the City Commission

Dennis E. Murray, Jr.
President of the City Commission