

Mike Will, Chairman, called the Charter Review Committee (CRC) meeting to order at 5:05 p.m. and led the Pledge of Allegiance.

Members present: Donovan Cole, Dennis Feltner, Talon Flohr, Darwitt Garrett, Andy Gundlach, Dan Kaman, Christine Mack (arrived 5:07 p.m.), Mike Meinzer (arrived 5:12 p.m.), Nicole Lloyd, Chris Parthemore and Mike Will.

Members absent: Jennifer Washington and Conor Whelan.

Staff members present: Eric Wobser – City Manager, Kelly Kresser – Commission Clerk, Dave Degnan – Fire Chief, John Orzech – Police Chief, Brad Link – Public Services Director, Hank Solowiej – Finance Director, Aaron Klein – Public Works Director.

Also present: Michal Graham – Strategy Design Partners.

APPROVAL OF MINUTES

Upon motion of Dan Kaman and second of Nicole Lloyd, the members voted to approve the minutes of the June 2 meeting suspend the oral reading. The Chairman declared the motion passed.

CURRENT BUSINESS

Section 2 – Form of Government

Mike Will said it was determined at the last meeting no changes should be recommended for this section. There being no further discussion, Mike Will said this section will not be presented to the City Commissioners for change.

Section 3 – City Commission. Creation and Powers

Mike Will said the motion passed at the last meeting was to recommend limiting candidates to 12 years (or three terms) over a 16-year period of time. This is a change from 8-year term limits over a 12-year period of time. Chris Parthemore said he was not here for discussion at the last meeting, but does not believe this would pass and is nervous about putting it up for change.

Section 6 – Salary and Bonds

Mike Will said the motion passed at the last meeting was to increase the pay of city commissioners to \$7,500 with a cost of living increase tied to the rate of inflation each year thereafter, subject to a two percent cap for each year. There being no further discussion, Mike Will said this section will not be presented to the City Commissioners for any changes.

Section 17 – Law Director and Assistants & Section 18 - Department of Finance and Audits

Mike Will said the motion made at the last meeting was to strike Section 17 and 18 from the Charter and allow the City Manager to hire the Law Director and Finance Director. Andy Gundlach said his only concern is if these are struck, there will be nothing in the Charter about these positions and perhaps there should be something so they will still exist. Mike Meinzer said these will have to be mentioned in the Charter and the positions then covered with job descriptions. Mike Will said the way the Police Chief is currently hired might be a good example of how to add these two positions into the Charter so they would be hired by the City Manager but approved by the City Commission. Dennis Feltner said the City Manager should be able to hire someone he can work with and this is the best check and balance and one person (the City Manager) should be the person responsible. The City Manager is the one who has to get things done and it is hard for him to believe there is a check and balance with the existing arrangement.

Section 25 – Expenditures

Mike Will said at the last meeting there was some discussion regarding this section of the charter and would like to have some insight from the Department Heads, specifically Hank Solowiej and Aaron Klein, who both work with expenditures, competitive bidding and how public finance works with the budget and spending. Hank Solowiej said with regard to competitive bidding, the issue being talked about is raising the \$10,000 threshold to the limit set by Ohio Revised Code (ORC). He thought this was very low when he came to the city from the State Auditor's office, and could bottleneck things; he still thinks this is a very low number. The ORC limit is \$50,000 for cities much smaller than the City of Sandusky, but if this number is too big, perhaps \$25,000 to \$30,000 would be a better, more acceptable increase. Bidding for projects takes a lot of extra work and time and there is a lot of red tape involved. Mike Will asked how the process works from approving the budget to spending approved funds. Hank Solowiej said the budget process starts, by charter, with the first draft presented to the City Commission. This is a joint process with staff and involves the Audit/Finance Committee members. Wage increases, health insurance numbers and contractual issues are factored into budget numbers and the Department Head then meets with the City Manager and the Finance Director. After this, the Audit/Finance Committee meets for a more broad level review to compare what is being spent versus what is coming in and how this may affect the city's bond rating. The City Commissioners then host a public hearing after which the budget is passed based upon what the commission approves. The City Commission just approved the purchase of new software for all departments to better monitor their budgets and will be a great tool to be more efficient and on top of things. Mike Will said when budgets are approved, they are approved by a certain total broken out by line item and asked if this is where they are restricted in going over budget. Hank Solowiej said there is a legal level of control which means however the commissioners pass the budget, there is a total dollar amount for wages and fringes, and a separate amount for "other". So long as the Department Head stays within the total, it is okay.

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Adjustments may need to be made at the end of the year to stay in compliance. Hank Solowiej said a budget amendment would be necessary if there were expenditures to be transferred from the wage and fringe benefits line item. Eric Wobser said detailed line items are monitored on a month-to-month basis. Aaron Klein said spreadsheets are created in each department to compare information with the Finance Department's information and monitored each month to make sure line items do not go over the budgeted amount.

Mike Will said even after the budget is approved by the City Commission, any single expenditure over \$1,000 and under \$10,000 requires competitive quotations. Aaron Klein said the requirement is to obtain a minimum of three quotes although there are occasions where equipment or services may be proprietary. There is a form to record information justifying specifically why a certain vendor was chosen. This process is helpful and protects the staff by forcing themselves to look for the best price. Contractors spend a lot of time and preparation for bids which may increase partially because of the bonding requirements. As an example, Aaron Klein said a milling project would have to first require approval by the City Commission, then there would be a two-week period when it is actually bid, then the bids are brought back for Commission approval once accepted. The cost may increase because it is not a simple call with a local company which may charge less because of lower fuel costs or because of additional costs for bidding. Mike Will said he believes the sentiment from the last meeting was to mimic the Ohio Revised Code (Section 735.05) for this process and set a \$50,000 limit or threshold. John Orzech said many items are purchased by the police department through the State's competitive bid process. Aaron Klein said occasionally items are bid for Public Works, but not as many. Hank Solowiej said one additional thing to consider is for Issue 8 dollars to be utilized for projects, the lower level amount could slow things down. Aaron Klein said the competitive bid process involves submitting issues to the City Commission which is a 15-day minimum period of time; after analyzing the bids there is usually another one- to two- week period and they are then submitted to the City Commission for approval; the contract is then prepared so all together, this can take approximately two months. Some of this time could be shaved off if the bid and the award could both be approved at the same time. Mike Meinzer said throughout this process some members of the public have accused department heads of arbitrarily spending \$25,000 over budget after the budget appropriations and asked if this is possible and if there are checks and balance so this cannot happen. Hank Solowiej said with the monitoring, something like this would definitely stand out and require a budget amendment. Dan Kaman said he is hearing there are checks and balances and \$50,000 would be more beneficial to the city; the process of getting three quotes is good and could stay at \$1,000. Eric Wobser said quotes are a much less burdensome process for staff than the bid process, but the latter is the one to really look at in the essence of saving time and money.

Mike Will said the general consensus seems to be to mirror the language in the Ohio Revised Code. Christine Mack said increasing the amount required for competitive bidding will change a lot of the bottlenecking. Andy Gundlach said it makes sense to follow the ORC so that each time it is adjusted, the city does not have to reconsider this section. Mike Meinzer said some of

this is about education. Knowing items are budgeted and approved ahead of time is a check and balance and they have bigger and better things to be considering rather than bringing up each purchase several times. Dennis Feltner said the ORC gives this legitimacy. Kelly Kresser said there also is a charter requirement a mailing be sent to every registered voter within the city's corporate limits telling them about any issues to be presented on the ballot and this allows for registered voters to know and ask questions about these ballot issues prior to walking in to vote. Mike Will said he recalls one of these letters from the past and the City Commission has to be careful not to advocate or campaign for issues. Michael Graham said the Charter Review Committee members are citizens and can advocate for specific issues if they feel compelled to do so.

Section 87 – Review of Charter

Mike Will said the members voted at the last meeting to recommend reviewing the Charter every six years, starting in 2010, then every six years after. This is being recommended mainly because of the cost to place issues on the ballot. Nicole Lloyd said if the Charter Review Committee is concerned about recommending too many sections for change now, perhaps this one could be saved for another time. Christine Mack said the next Charter Review Committee may not care due to finances but agrees if there are too many recommendations they may be clouded. Darwitt Garrett said all recommendations should be categorized and none left out. Donovan Cole said these could be categorized by what might be indifferent to the current commissioners versus submitting to a future group of commissioners. Donovan Cole asked the approximate cost for the mailing to registered voters; Kelly Kresser said she does not recall this number, but remembers the postage costs were much higher than the printing costs. Dennis Feltner asked if Michael Graham could research how other municipalities handle these kinds of issues to help in structuring recommendations. Michael Graham said this might be more of a political question, but he can look at the best practices.

Upon motion of Mike Meinzer and second of Donovan Cole, the members voted to break recommendations down into two tiers so the City Commissioners know which issues are recommended for the November ballot while others can be considered at a later time.

Discussion: Dan Kaman said he agrees with the concept, but the Charter Review Committee needs to be definitive. All of the recommendations should be presented. Chris Parthemore asked if Section 17 and 18 will be treated as one and Mike Will said they are two Sections or ballot issues and need to be treated as such. Dennis Feltner suggested the issues be separated by what need to be changed versus what needs to be updated. Dan Kaman asked if Section 2 will also need to be recommended for change if Sections 17 and 18 are recommended for change. Darwitt Garrett said if Sections 17 and 18 are changed, the city will still have a City Manager/Commission form of government. Kelly Kresser said in the past, part of the legal review done by the Law Director has been to look at how the recommended changes made will

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affect other sections of the charter and does not know this committee needs to think about that part.

Roll call on the vote: Yeas: Mike Meinzer, Talon Flohr and Donovan Cole, 3. Nays: Dan Kaman, Christine Mack, Dennis Feltner, Chris Parthemore, Andy Gundlach and Mike Will, 6. Abstain: Nicole Lloyd and Darwitt Garrett, 2. The Chairman declared the motion failed.

Dennis Feltner recommended tying down which issues the Charter Review Committee specifically want to recommend for change and then prioritize them. Chris Parthemore asked each member to name their top issue and if everyone says the same one or two, we know where we are; if not, we are right back where we started. Christine Mack said a numerical prioritization needs to be done and it makes more sense to note which the Charter Review Committee feels most strongly about. Dan Kaman said the City Commission has the wind at their backs right now and before the form of government is discussed, to move the Finance Director and the Law Director under the City Manager and many people will think this is making the City Manager a strong mayor. Christine Mack noted Dr. Keller said a lot of municipalities utilizing the same form of government have Law Directors and Finance Directors who report to the City Manager. If there is an inefficient or ineffective City Manager, the argument is this may give him too much power, but the city manager is also an at-will employee and would be eligible for termination if not meeting their contractual obligations. Dan Kaman said we need to be able to defend the actions we are trying to make. Chris Parthemore said in reading the charter, everything goes back to the City Commissioners. Andy Gundlach said all of the reasons for wanting to change this should be spelled out in the communication written to the City Commissioners.

In order to prioritize the Sections, Mike Will asked the members to do an exercise whereby each member prioritized (on their own) Sections 3, 6, 17, 18, 25 and 87. After polling the members, the following results were identified as priority for recommending change to the City Commissioners:

<u>Charter Section No.</u>	<u>Ranking [Ranked 1 – 6/member]</u>
Section 3	Tie: 5/6 (50 points)
Section 6	Tie: 5/6 (50 points)
Section 17	1 (17 points)
Section 18	2 (29 points)
Section 25	3 (33 points)
Section 87	4 (49 points)

Upon motion of Mike Meinzer and second of Dennis Feltner, the members voted to recommend all six sections be submitted to the City Commissioners for change, with Sections 17, 18 and 25 listed as urgent and Sections 3, 6 and 25 listed as not so important for the upcoming ballot.

Discussion: Chris Parthemore said his thought is to submit three sections for change. Andy Gundlach suggested thinking about this for a couple of weeks prior to presenting anything to the City Commissioners. Mike Will said the members need to decide what issues they want to present, write a communication and prepare to present these findings to the City Commission. Chris Parthemore said given the numerical difference in priorities, it should be very clear what we are after here. If we recommend all six sections for change, it will be left to politics. Talon Flohr said based on this discussion, the commissioners may only pick three or four, but they are relatively important and this is the reason we talked about all of them. Andy Gundlach said he has not made his mind up yet and does not know if he will tonight. The lesser priorities may overshadow the higher priority items at the City Commission level and this would be a concern to him. Darwitt Garrett said the members can speak to the City Commissioner who appointed them and express the way they feel; Mike Will said he has not spoken to the person who appointed him since the appointment was made. All of these recommendations are good ones and will save the city money, but it is not the Charter Review Commission's job to choose the ones to be on the ballot – this is the job of the City Commissioners. Dan Kaman said the first four do not cost the city money, the last two will and he is in favor of sending four recommendations.

Roll call on the motion: Yeas: Dan Kaman, 1. Nays: Christine Mack, Dennis Feltner, Nicole Lloyd, Chris Parthemore, Andy Gundlach, Mike Will, Darwitt Garrett, Mike Meinzer, Talon Flohr and Donovan Cole, 10. The President declared the motion failed.

Upon motion of Chris Parthemore and second of Dan Kaman, the members voted to send the top four recommendations (Sections 17, 18, 25 and 87) only to the City Commissioners.

Roll call on the motion: Yeas: Dan Kaman, Christine Mack, Chris Parthemore and Talon Flohr, 4. Nays: Dennis Feltner, Nicole Lloyd, Andy Gundlach, Mike Will, Darwitt Garrett, Mike Meinzer and Donovan Cole, 7. The Chairman declared the motion failed.

NEW BUSINESS

Mike Will said August 5 is the deadline for issues to be placed on the ballot. Before this can take place, the City Commission has to approve legislation and they will meet on June 22, July 13 and July 27. The Charter Review Committee may wish to present their recommendations at one of these meetings and could do so as soon as June 22.

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Mike Will said he met with Dennis Murray, City Commission President, to provide him with a recap of the issues addressed thus far by the Charter Review Committee as well as to see if he (Dennis) had any recommendations. One of his recommendations relates to the city's strategic planning process and using the consultant, Michael Graham, to help this committee as we think through how to approach sections recommended for change. Andy Gundlach asked if Michael Graham could write language changes as recommended. Eric Wobser said it would not be appropriate for Michael Graham to do this; it would fall under the purview of the city's Law Director. Mike Will said we learned when Dr. Keller and Dr. Walls spoke most cities of similar size to Sandusky are set up so the Law Directors and Finance Directors report directly to the City Manager. If there are facts that support this, Michael Graham said he could provide charters and information from cities of similar size, proximity and demographics with Sandusky. Mike Will said we would probably be interested in Ohio cities with a population of 15,000 – 50,000 with a Charter and City Manager form of government where the Law Director and Finance Director have a direct reporting relationship to the City Manager. Mike Will said he will work with Michael Graham to determine which cities may be similar and used as comparisons. Dennis Feltner asked if this committee is required to draft the actual text for the ballot. Kelly Kresser said Michael Graham can provide research for the Charter Review Committee to make decisions or recommendations for the City Commission; these recommendations then would be sent to the City Commissioners who will ask the Law Director to prepare legislation for those they would like to place on the ballot. Traditionally the Law Department has utilized the city's bond counsel to write legislation for issues to be placed on the ballot. Chris Parthemore said there have been issues previously on the ballot which are being considered by the current Charter Review Committee and some of the language already may exist if anyone wants to look at them.

Dan Kaman said the issue has been brought up to hold off on recommending some of these issues; after thinking about this, the Charter Review Committee should make their decision and send recommendations to the City Commission. The safety service issue previously placed on the ballot failed, but Issue 8 passed last year because the citizens knew exactly where the money was going. Mike Will said it seems like putting these issues on the ballot during an even year would be the better way to handle this. Chris Parthemore said after December, the Charter Review Committee may be dealing with City Commissioners who they do not necessarily represent. Andy Gundlach asked if anyone else followed up with the Board of Elections regarding the costs to place issues on the ballot during even or odd years and Mike Will said he could do this. Mike Meinzer said the issues should be prioritized since there are so many to suggest for the ballot in any one year. Dennis Feltner said he feels the Charter Review Committee should act and turn issues over to the City Commissioners for follow up. Mike Will said his understanding is the Charter Review Committee is put in place to review the Charter every five years, make recommendations, and they are then done with their job. Eric Wobser said the recommendations could possibly be separated by what the Charter Review Committee sees as priorities versus simply cleaning up language.

Upon motion of Andy Gundlach and second of Chris Parthemore, the members voted to table any further discussion until the next meeting.

Discussion: Dan Kaman said those who have strong opinions about certain Sections should start writing out information for the next meeting.

The Chairman declared the motion passed.

Mike Will said the members will decide at the next meeting, after obtaining information from Michael Graham, how to present recommendations to the City Commissioners both in writing and in person (July 13 City Commission meeting).

ADJOURNMENT

The Chairman declared the meeting adjourned at 7:38 p.m.

The next meeting is scheduled for: Tuesday, June 23 at 5 p.m.

Kelly L. Kresser, CMC
Clerk of the City Commission

Michael J. Will
Chairperson