

DECEMBER 22, 2008

4:30 P.M.

At 4:30 p.m. an Executive Session on Pending Litigation was held by the Sandusky City Commission in the City Building Commission Chambers, 222 Meigs Street, with City Commissioners Bob Warner, Dave Waddington, Dan Kaman, Julie Farrar, Craig Stahl, Brett Fuqua, and Pervis Brown in attendance; as well as the Charter Officers of the City Manager Matthew D. Kline, Law Director Don Icsman, Clerk of the City Commission B. Joyce Brown; and Steve Friedman of Squire, Sanders & Dempsey.

It was moved by Mr. Warner that an **executive session be held on pending litigation**. Mr. Pervis Brown seconded the motion. The Clerk called the roll as follows: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. President Stahl declared the motion passed to hold an executive session.

An executive session was held on pending litigation.

At 5:55 p.m. President Stahl returned to the table. He said they would take a five-minute break and return to regular open session.

DECEMBER 22, 2008

5:00 P.M.

At 5:00 p.m. a Regular Meeting was held by the Sandusky City Commission in the City Building Commission Chambers, 222 Meigs Street, with City Commissioners Bob Warner, Dave Waddington, Dan Kaman, Julie Farrar, Craig Stahl, Brett Fuqua, and Pervis Brown in attendance; as well as the Charter Officers of the City Manager Matthew D. Kline, Law Director Don Icsman, Finance Director Ed Widman and the Clerk of the City Commission B. Joyce Brown; and the Administrative Staff of the Director of Engineering Services Kathy McKillips, Fire Chief Mike Meinzer, Police Lieutenant Phil Frost, Administrative Services Director Warrenette Parthemore, Economic Development Specialist Scott Schell, and Chief Planner Carrie Handy. The audience and news media were present.

Mrs. Farrar offered the **invocation** and everyone remained standing for the **Pledge of Allegiance to the Flag**.

The Clerk called the **roll** and the following Commissioners responded: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, and Brown.

Mr. Waddington moved to accept the **minutes of December 8th, December 10th, and December 12, 2008**, and dispense with the formal reading of same. Mr. Kaman seconded and the motion carried.

PRESENTATION - Bryce Haase – Eagle Scout Project – construction of a Hiking Trail on East Sandusky Bay Extension (Gateway Preserve)

President Stahl said as a point of order they would move Items #12 and 13, they would be moved to be the first two items done tonight.

Under **Audience Participation**, Mr. Ginty commented on agenda items.

Mr. A.J. Oliver, 1112 Wayne Street, asked that the Commission not to go ahead and make the Marina District an emergency ordinance. He had talked to people before the meeting began with people that were involved in writing the wording for the City Charter, Section 14, where it specified what was to be an emergency and not. They were horrified that the City could consider a franchise benefit, a major contract like this to be an emergency, after it was already passed once as a non-emergency. (Someone said excuse me.) Mr. Oliver said he thinks that shows a singular disrespect for the democratic process of the City Charter and the voters of the City of Sandusky. He also would call their attention to the development agreement. Page 21 Section 424, there was a contract policy, which says *“All contractors, sub-contractors, sub sub-contractors, shall seek to comply with the responsible contractor policy, a copy*

of which is attached hereto as Exhibit E.” It was a good idea and all he was asking was that it be complied with. It says, “The contractors, sub-contractors, and sub sub-contractors must have outstanding references. Relevant information from people or entities in charge of past projects for information from other contractors or sub-contractors in relation to overall cooperation in past projects under said contractors supervision.” Secondly, he was summarizing, “...With the successfully completion of similar projects.” His question is how appropriate is it to have policy like this in your development agreement, but the developer himself is not expected to adhere to those? Many of them have asked Mr. Eymann to provide the basics of even a resume for many, many months and he has not been forthcoming and the City has refused to cooperate in securing that document. The City’s response was it was up to Mr. Eymann if he wants to provide a resume. He thought the majority of the Commission themselves have not seen a resume. How could they vote on a major project like this if you don’t know the capabilities of the person that you’re dealing with and you’re unwilling to share that with the community? He’s sorry, but he would remiss if he did not protest this vigorously. The agreement is also interesting because the very first line is to advance the availability of adequate housing. There’s another reason why they should stop and think about this. This is adequate housing \$300,000 and up? Most projects like this, especially if you are getting public parkland, he would expect to have a certain percentage of low and moderate-income housing. There’s not closet one for them that live in that part of town. The rationale the City has in making this emergency legislation is that the contractor that won’t supply a resume is stressing to go away if it doesn’t become an emergency. Well if the contractor is unwilling to compromise, is unwilling to use the Tricor Property readily available for development, is unwilling to use readily available commercial property, that insists on using public recreational land, which was deeded to the public long, long ago, that people fought vigorously for so that we could enjoy. If that’s what the City insists upon, he wanted it to go away, and so do the many of hundreds of people that signed their petitions. Lastly, if they insist on taking our parks and building condo towers and arguing at the same time preposterously that the condo towers somehow enhance public access, yea they could go away. That’s not an emergency to him just because they are proposing what he thinks is a really pretty bad deal. Finally, if the Commission takes the citizens rights to vote on this away, it’s on them. They can no longer say that they’re doing the jobs of the voters, which they were elected to do because the people asked for a chance to vote on this. Finally a picture from the City of Westlake, this is what the developer wants to do with our waterfront parks. He didn’t see any water in his access. All he saw was gigantic condo towers going along our waterfront. It’s bad architecture. It’s bad plans. It’s bad on many levels. He would think personally that if this gets voted on in a fair election and it passes, his issues would cease. But if they didn’t vote, they would be doing what’s legal to resist this any way they can.

Mr. Lance Warner, 1421 Columbus Avenue, said he was not here to speak on the merits of that project one way or another, but he was here to tell them that he has personally been involved the past five years to three developers who looked at this area for potential investment area in projects of more than \$100 million and less than \$500 million. Of those three, two decided that they didn’t want to try to work through anything here because their time was money. They’ve gone other places and they’re working other projects. The third one is involved in a projected \$200 million project in Perkins Township. Whether it’s here or Huron or wherever, a developer is looking to invest money with the host of making returns on investment. They won’t do it in a community where there’s the uncertainty of trying and the uncertainty of the project not going forward. There’s just too many other opportunities where they have to satisfy their investors and the risk isn’t worth it. He would just ask them to do whatever they’re going to and be done with it.

Mr. Jeff Smith, 415 Shelby Street, said he believed they did vote on this project and it did pass. And the disrespect would be to all the citizens that voted yes on this project and he would encourage them to vote tonight and he thanked them.

Mr. Harry Brady, 190 E. Main Street, Norwalk, said normally he would not stand up here and defend a non-union developer. However, he agreed with the gentleman and he talked to Tim and Wesley prior, being the City already voted on this once and the developer has already invested a considerable amount of money and time in this project, he thinks it would be a disservice whether he liked him personally or not. And to tie a man’s time up and his money up and his efforts up with no hope of being

able to recoup them is wrong. If this was a project that wasn't going to go forward, then it should have stopped at the beginning. He understands the concerns for the developers continuing and facing their projects. They've heard that numerous times. They could drive by the old hotel on Cleveland Road that's half demolished and you could go by certain projects in various towns and townships and you could see where things went when they didn't get completed. That's part of the City's responsibility and he thinks it was a thing that was put in that development agreement with a committee that was going to have an oversight over what was going on with this construction. He thinks the safeguards were put in that development agreement so that it could go forward effectively. It's not a case now that we had to sit back and say that we were going to do it or not do it. He knew he was viewed as an outsider, but in representing the people he did in the City, he didn't think that was an issue that they needed to be revisiting now. And if it takes an emergency measure to get this to go forward, then that's what needs to be done. You can't hog-tie a person for another year before they know whether or not they can sell the units to get the thing off the ground and then say well, it's too slow because it didn't move forward. So after all the angling and the months of arguing about the Marina District Proposal, its finally getting it to a point where people can agree to it, and then only pulling it back off the table for another year, to him is kind of ridiculous. And the developers that didn't come to this City were certainly going to look at if we don't continue this project and see it through and say we made a right choice. So will the rest of the developers. We needed to really take a look at what's best for Sandusky and in this case, he thinks not pulling out of this project is best.

Mr. Tim Schwanger, 362 Sheffield Way, CRG, said he would talk about Issues 1 and 1A pertaining to ethics and also deadlines and emergencies. He hoped both the Commissioners (Julie Farrar and Bob Warner) understood this was not a personal attack under lies and philosophies. What happened was once they found that the Commission was going to try to circumvent the referendum, they went to legal counsel and they advised them to try to see if there are different ways that they could kind of eliminate some of the Commissioners with voting so that the referendum procedure could proceed. They were successful in doing that, which he was sure would be discussed later on this evening. He met with Mr. Warner Saturday morning and they shook hands and they both understood this was not personal going against each other. We have given the developer three extensions over the years. So based on that, they don't see what the emergency is. Additional to that he was not able to allegedly contract with hotels, coffee shops, whatever other retail he wants to put in there, but it is preventing him from trying to radically pre-selling individually units way before the actual developer agreement was even reached or voted on by the City Commission. So they were not buying this story about having to have this as an emergency under time constraints. The City has given him until December of next year to pre-sell 80 units. This whole issue, the Marina District is nothing but one big political chess game. Tonight is their move, move the right one.

Mr. John Eymann, Marina District Developer, said he wasn't going to say anything, but he needed to correct one of the gentlemen. They were not selling anything. They've been in reservations. They did not start that process until Labor Day Weekend, which was after all of those, on all the development agreements. The reason they have not been able to sign any contracts with the hotel or anybody, was because they don't have a contract. Nobody in their right mind would sign a contract with somebody that doesn't have control of the property. It's just that simple. Everything that he said was incorrect and he wanted to make sure that everybody knows that that's the agreement.

Mr. Matt Earhardt, 105 W. Water Street, said he happened to like Mr. Eymann and he's done a good job and he has been patient. And he has a good project and he's worked with members of the Waterfront Watchdogs, citizens and City staff for a long time to consider all of these people's different interests and he's done a great job. But this thing tonight is bigger than Mr. Eymann and it's bigger than CRG and it's bigger than Sandusky. It's what is the next developer going to think when he's approached by the City of Sandusky. What that developer most likely will think is that Sandusky is a broken government. We work with the developer, we bring in all of the interested parties, change everyone's ideas, put it together, put the fact thing together, a faction called CRG demands a vote. We give them a vote. The vote passes and now because the vote passed, by the way on the same exact property that this project is going to go on and it's the same exact property that we voted on. But tonight, and since the

vote, it's because it's public property, it's not good enough. It needs to be on private property. But the bottomline is we voted on private property then and that's what we're talking about now. So do the right thing for the future of Sandusky, move forward.

Mr. Waddington moved to accept all communications. Mr. Fuqua seconded, carried.

ORDERED IN AT THE MEETING OF DECEMBER 8TH

ITEM #12

ORDINANCE NO. 08-148 - Repealing Ordinance No. 08-096, passed October 14, 2008, and declaring an emergency. It was moved by Mr. Fuqua and seconded by Mr. Brown that this Ordinance be passed under suspension of rules in full accordance of Section 14 of the City Charter. **Discussion** – Mr. Warner said may he make a statement before they vote? President Stahl said he may. Mr. Warner said Bob Warner, City Commissioner, he has received an ethics, probably complaint, from CRG. And when he received that, Mr. Icsman got it and gave it to him, he went outside and he sought outside counsel, lawyers that are not from Sandusky. He has received the opinion from his lawyers and his lawyers tell him that he is safe to vote on this legislation and any legislation that comes before this council, as long as he serves, as long as there is not a direct benefit or detriment to his employer. His employer is Painters District Council 6. They are located in Cleveland, Ohio. And he intended to vote on all legislation this evening and any legislation that comes before this council, as long as he serves.

Mr. Waddington said he wanted to do an explanation. He talked with some of the CRG folks and since then there has been a real struggle for him to come to this opinion tonight or to support this legislation. And he's got a few notes where it explains why he's voting. Sandusky has a historic opportunity to help create a new vision. The economic benefits of the Marina District will be the catalyst for Sandusky's future. With each passing year we lose population and jobs and he struggles for the answers being a Commissioner. He sees the needy, the unemployed, friends and neighbors out of work and hope, so his challenge to Sandusky is instead of the best that we can do, he wanted all that we can do to help improve Sandusky.

Mrs. Farrar said she wanted to comment that at no time did she think her mother's property had any affect on how she voted. From where she stood, she thought this project would affect the majority of the City, but she is going to take legal counsel's advice and she will abstain. But she thought they were going to look into it and make sure that abstaining tonight is what she should have done, because in the future if she is allowed to vote, she would vote. The Clerk called the roll on the motion: Yeas: Warner, Waddington, Stahl, Fuqua, Brown, 5. Nays: 0. Abstain: Kaman, Farrar, 2. The Clerk then called the roll on final passage of the Ordinance: Yeas: Warner, Waddington, Stahl, Fuqua, Brown, 5. Nays: 0. Abstain: Kaman, Farrar, 2. President Stahl declared the Ordinance passed.

ORDERED IN AT THE MEETING OF DECEMBER 8TH

ITEM #13

ORDINANCE NO. 08-149 - Approving a Development Agreement with Sandusky Marina District Development, LLC relating to development activities in connection with certain property located in the City, and declaring an emergency. It was moved by Mr. Fuqua and seconded by Mr. Warner that this Ordinance be passed under suspension of rules in full accordance of Section 14 of the City Charter. **Discussion** – As there were no comments forthcoming, President Stahl said we had a unique opportunity in front of us. The Clerk called the roll on the motion: Yeas: Warner, Waddington, Stahl, Fuqua, Brown, 5. Nays: 0. Abstain: Kaman, Farrar, 2. The Clerk then called the roll on final passage of the Ordinance: Yeas: Warner, Waddington, Stahl, Fuqua, Brown, 5. Nays: 0. Abstain: Kaman, Farrar, 2. President Stahl declared the Ordinance passed. President Stahl said to Mr. Kline that he would like him to sign that agreement at his earliest convenience. And to Mr. Friedman he didn't think he needed him anymore. Thank you for your advice this evening. Now they would return to the agenda.

ITEM #1 - Communication – Kathryn K. McKillips, Director of Engineering Services
BUDGETARY INFORMATION: The revised estimated total project cost including engineering, construction, inspection, testing, temporary right of way acquisition, and miscellaneous expenses is \$2,346,713.00. Federal Funds through the Erie

County Metropolitan Planning Organization (MPO) will fund \$1,452,370.58 with the City's share of the project coming from the Sewer Fund \$484,041.00 and City Capital Fund \$410,301.42. The MPO's funding amount was derived from 80% of the eligible costs \$1,481,713.23 (\$1,573,754.612 minus the 100% City Cost amount of \$92,041.387) plus an additional \$267,000.00 that the MPO approved for the project by pushing back the Perkins Avenue Signalization Project until 2013. The City also has the option of returning to the MPO before the end of the underpass project for an additional 10% in funding (10% of the original estimate which calculates to be about \$148,000.00). The City will return to the MPO for the additional funding.

RESOLUTION NO. 036-08R - Repealing Resolution No. 025-08R and declaring the necessity for the City of Sandusky, Ohio, to proceed with the proposed Hayes Avenue Underpass Rehabilitation Project; approving the revised specifications and engineer's estimate of cost thereof; directing the City Manager to advertise for and receive bids in relation thereto. It was moved by

Mr. Kaman and seconded by Mr. Waddington that this Resolution be passed under suspension of rules in full accordance of Section 14 of the City Charter. **Discussion**

- Mr. Kaman said he just wanted to bring up a point of question concern that he has about the American Crayon Building where they are redoing this underpass starting hopefully this spring. American Crayon is falling down into Hayes Avenue. Hopefully they are working on that and Mr. Yost (Joe) and his creditors, but he hated to see Hayes Avenue Underpass get redone and the American Crayon office building be the same as is. He thought they needed to be proactive on this and do something about this, along with the G&C Foundry property.

Mr. Waddington asked could they have Fire staff go through the building and check, because he believes it has gone through bankruptcy. He didn't want to see us start the underpass project and having heavy equipment going over the street, curbing and gutters when we have to demo this. Because he didn't see a future for the American Crayon building, at least the front section, the Hayes Avenue section. He and Mr. Kaman picked up a 4 x 8 sheet of plywood in the road and there were a lot of broken windows now and rocks and bricks were falling off the side. So maybe Mr. Poulos or Mr. Meinzer could check out that building. Mr. Kline said that's exactly what they were going to do. He actually spoke to Mr. Poulos to get moving.

Mr. Kline said and on a comment from Mr. Ginty, the original engineer's estimate had underestimated consistently from all of the contractors when they were asked to bid the concrete work on the wall. And because it exceeded 10%, we had to go back and do a re-estimate and had to go back and do a rebid. They also went back to the MPO and the MPO further funded this project as well. The Clerk called the roll on the motion: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. The Clerk then called the roll on final passage of the Resolution: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. President Stahl declared the Resolution passed.

ITEM #2 - Communication - Kathryn K. McKillips, Director of Engineering Services

BUDGETARY INFORMATION: The revised project cost based on bids, including engineering, inspection, advertising and miscellaneous costs are \$19,515.00. This project will be paid with Community Development Block Grant (CDBG) Funds for the year 2009.

ORDINANCE NO. 08-139 - Enter into a contract with Herbst Excavating of Sandusky, Ohio, for the Demolition of 1432 Harrison Street, 711 Decatur Street (house only) and 526 E. Madison Street, Sandusky, Ohio. It was moved by Mr.

Waddington and seconded by Mrs. Farrar that this Ordinance be passed under suspension of rules in full accordance of Section 14 of the City Charter. **Discussion**

- Mr. Kaman said he just wanted to make it known that this project was going to be paid for through CDBG Funds of 2009. The Clerk called the roll on the motion: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. The Clerk then called the roll on final passage of the Ordinance: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. President Stahl declared the Ordinance passed.

ITEM #3 - Communication - Phillip J. Frost, Lieutenant

BUDGETARY INFORMATION: The total cost for this purchase, exchange, and sale of firearms, equipment and accessories for the Sandusky Police Department is \$3,261.75. This amount will not come from the Police Department budget, but will be paid with funds from the Police Department's Federal Forfeiture Fund.

ORDINANCE NO. 08-140 - Enter into an agreement with Vance's Shooters Supply of Columbus, Ohio, for the Sale, Exchange and Purchase of Firearms, Equipment and Accessories for the Sandusky Police Department. It was moved by Mrs. Farrar and seconded by Mr. Fuqua that this Ordinance be passed under suspension of rules in full accordance of Section 14 of the City Charter. **Discussion** – Mr. Kaman said this was not coming from the Police Department's budget. It was coming from the Federal Forfeiture Fund. President Stahl said and that Thompson "Tommie" Sub Machine Gun that he liked before he saw what it could do for us was gone. Interim Chief Sams said they were given \$22,500 for that. The Clerk called the roll on the motion: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. The Clerk then called the roll on final passage of the Ordinance: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. President Stahl declared the Ordinance passed.

ITEM #4 - Communication – Ed Widman, Finance Director

BUDGETARY INFORMATION: Due to City Budget concerns, the Finance Department has been able to negotiate a decrease in cost for the 2008 report from \$28,500 to \$25,000. It is estimated the experienced staff will be able to assume more of the responsibility in preparing the report. The actual cost of the report has been under estimate the past three years.

ORDINANCE NO. 08-141 - Enter into an agreement with the State of Ohio, Office of the Auditor, substantially in the same form attached hereto, for the preparation of the December 31, 2008, Comprehensive Annual Financial Report. It was moved by Mr. Warner and seconded by Mr. Waddington that this Ordinance be passed under suspension of rules in full accordance of Section 14 of the City Charter. **Discussion** – Mr. Kaman said that cost got reduced because our staff is going to pick up some of the extra work to prepare that document. The Clerk called the roll on the motion: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. The Clerk then called the roll on final passage of the Ordinance: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. President Stahl declared the Ordinance passed.

ITEM #5 - Communication – Ed Widman, Finance Director

BUDGETARY INFORMATION: This action will establish a budget for operations until the annual appropriations can be approved after the second Monday in January 2009. City Charter prohibits the City from enacting the 2009 Budget before January 12, 2009. The first payday of 2009 is on January 2, 2009.

ORDINANCE NO. 08-142 - Make Temporary Appropriations for the months of January, February and March 2009. It was moved by Mr. Kaman and seconded by Mr. Waddington that this Ordinance be passed under suspension of rules in full accordance of Section 14 of the City Charter. **Discussion** – Mr. Kaman asked were they planning any budgetary meetings? President Stahl said the way they did it last year they worked on it through the Finance Committee. The Finance Committee met in open session on Friday and had discussion. He knew where you guys were going with this philosophy and the philosophy that he thought they were referring to, and he had talked to several Commissioners, was do they give raises to non-collective bargaining unit people. Mr. Kaman said that was not what he was thinking at all.

Mr. Kaman said he wanted to hear from Chief Sams about the Police Boat. He knew there's a lot of changes in all departments and they have been asked to do a lot of things. And he heard Mr. Kline has some ideas, and he is looking forward to hearing all those ideas. And Mrs. Farrar's ideas, Mr. Brown's, Mr. Warner's and what everybody is thinking and it's tough times.

Mr. Waddington said his big concern is on the raises they were going to look at it and if in fact that they can do anything. It's the healthcare cost. They were going to have to see if the employees kickback like the rest of the world and help pay a portion of their health care costs. They need to identify that early on.

Mr. Warner said he would like to see them come in on a Saturday and invite the public and kick ideas around on this budget and then he (Mr. Stahl) can possibly take it back to the Finance Committee and present their ideas. President Stahl said he would rather do it on a weeknight because of family obligations to his son. Mr. Waddington said he wanted to be Mayor. President Stahl said he thought the larger question, and when they talked about it as Finance Committee, and not giving raises to non-collective bargaining unit people. The way the City operates is historically they would get those raises at the first of the year, automatically they would get the raises to join with the collective bargaining unit employees. Obviously the way the

City was going, and he did go down to the County and checked with Jody Fantozz on the lack of a better word the estate tax, the death tax, that we historically got would have been anywhere to \$400,000 to \$900,000 a year. Last year it was a little over \$400,000 we received from the estate tax. Our first half settlement for this year, according to Mrs. Fantozz, is \$135,000. Historically we can look at the second estate settlement has always been usually lower. Mr. Widman said while they were in executive session, he did get a phone call late this afternoon from the County Treasurer and the State tax that we will receive, which had gone up by at least a \$150,000 more. Somewhere over \$200,000 the first half of 2008. President Stahl said we historically run about half in the second half of the first half so we would really be at about \$300,000. Last year the City of Sandusky raised a little over a \$1 million in interest income in calendar year '08. He hoped everyone realized that we weren't going to get interest income in '09 like we got in '08. So maybe what we need to do, they talked about it in Finance and he thought what the conclusion was, was they were going to have to change a lot of things the way the City does and to roll out any increases or any new ideas such as health insurance as part of a bigger package with our non-collective bargaining unit. He understood that a lot of people were getting raises that they were talking about. So a deal is a deal with our CBA people and they would live up to that. If brings pause to thought that maybe they should hold up with our non-CBA people until we have a chance to get some of these budget impacts and also get a look to see where we're at and talk about it. You know once you give someone a raise it is awfully hard to take it away. He knew the City just paid in longevity bonuses of \$184,000. These were all thoughts that he shared with them. This was not his decision. He didn't have a recommendation. It's a rotten world out there right now. Discussion ensued on scheduling.

Mr. Kline said he was looking at the January calendar and by Charter they were required to have at least one public hearing or least two this year. He would not be ready by next Tuesday for an '09 Budget. President Stahl said neither would the Finance Committee. Discussion again ensued on scheduling. Mr. Kaman said he didn't want to go back the way they did it the first couple years. He just wanted to make sure that their ideas as elected officials get on the table. He would like his ideas and the other Commissioners ideas implemented and have him (Mr. Stahl) take them back to the CPA's. His committee is more well prepared than most of them sitting up there. President Stahl said they would be happy to do that. Mr. Kline said he would have a draft budget by January 19th. Mrs. Farrar said that was Martin Luther King Day and there were also other programs going on. President Stahl said he would check the dates and e-mail to everybody to fit their schedules.

President Stahl said that takes care of that. Now they had to give Mr. Kline direction on what he should do with the non-CBA raises. Mr. Kline said he was a little bit ahead of himself. It's actually Item #10, which is their revamp. If they don't enact the new 145, then the raises become automatic and there is nothing that he can do about it. The new 145 creates the wages for the Benefits Committee, which he (Mr. Stahl) was a part of, then they could decide on the raises, the question that he was posing. President Stahl said so if they enact the new Item #10, then the Committee consisting specifically of him (Mr. Kline), Mr. Icsman, Mr. Widman, Mrs. B. Joyce Brown, they could work more on that? Mr. Icsman said maybe some of the disconnect is because we did have Commissioners Kaman and Waddington and Mr. Murray when he was here, meet with them throughout '08. So they wanted to be sure that they got 145 and it would give you the flexibility while irrespective of whatever it is they end up doing by passing new 145 tonight as Mr. Kline said, you will then have the option of doing what you want. The old version locked it in, but this version does not. So even if it is retroactive and they don't get finished right away, whatever you're going to do, if you do zero, nothing has to be retroactive. President Stahl said okay. The Clerk called the roll on the motion: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. The Clerk then called the roll on final passage of the Ordinance: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. President Stahl declared the Ordinance passed.

ITEM #6 - Communication – Ed Widman, Finance Director

BUDGETARY INFORMATION: This City Commission authorized the expenditure of funds in the amount of \$461,067.00 for the repairs to homes involved in the City's 2004, 2005, and 2006 Housing Rehabilitation Program by Ordinance No. 08-062, passed on July 14, 2008. At the present time, existing State and Federal Grant

Revolving Loan Funds are pre-funding the cost of the repairs. An additional \$163,933.00 is being requested for repairs through the process of pre-funding the cost of the repairs using existing State and Federal Revolving Loan Fund Grants. The total amount for repairs in 2008 is estimated not to exceed \$625,000.00. It is anticipated the City of Sandusky General Fund will assume the long term financial responsibility for these repairs as these grant funds will need to be repaid once insurance, criminal investigations and legal matters are resolved. Additional repairs will be required in 2009. A list of the properties involved in these programs is available upon request.

RESOLUTION NO. 037-08R - Approving and authorizing the Finance Director to continue to utilize existing State and Federal Revolving Loan Fund Grants to Pre-Fund the cost of repairs to homes involved in the City's 2004, 2005, 2006 Rehabilitation Programs. It was moved by Mr. Waddington and seconded by Mr. Fuqua that this Resolution be passed under suspension of rules in full accordance of Section 14 of the City Charter. **Discussion** – Mr. Waddington said he saw the costs here and are we keeping track of hours that we are working on this? No one has been charged yet as far as Housing, you know there are no federal charges yet, it's an ongoing investigation. Are we logging hours that we're spending that we can recoup our money in time that's taking away from our City Manager, our people in Finance, our people in Housing? He thought those hours could be charged back, because we're already billed into '09 if we get further legislation tonight and have to take a loan out on ourselves. Mr. Kline said no, he has not kept any of his hours or Carrie's (Handy) hours or George's (Poulos) hours, Mr. Icsman, his paralegal. Mr. Waddington said he did not think that would be bad idea in the future. The 625 might be real, real high. And he appreciated what Mr. Poulos has done and he has cut a lot of the costs down by going back in. This is not our responsibility because we paid for this work to be done and we had our inspectors go out and check. Somebody signed off on this work, it was paid for, bought. We bought the farm, we paid for it. Someone in-house signed off that this work was in fact whole. The Commission has to vote on legislation to go back and do corrective measures. It was very frustrating for him right now.

Mr. Kaman said at Saturday's meeting they had some residents very concerned about that it seemed like we weren't doing anything, but we assured them that this was an ongoing investigation. Other agencies are involved and not just Sandusky anymore. It was not over by a long shot. We are looking at all of our options and this is not over. We don't know who all was involved yet.

Mr. Kline said he had communicated with George (Poulos) and all emergency repairs are completed, everything's done. There are other homes that need work, non-emergency, non-life-threatening work. They don't want to spend more money in '08. The specs are being drafted and drawn up for '09 right now as they speak. Mr. Poulos has actually communicated with Mr. Widman on a rough estimate total cost that we might incur in '09. Mr. Widman said he just knows he (Mr. Poulos) sees an increase in costs that continue to escalate so we're not looking at another \$600,000.

Mr. Kline said Mr. Waddington was absolutely correct, Mr. Poulos has really contained the costs and he's done a fabulous job. So from a homeowners perspective, that will be taken care of. Now the claims are being made and there is a legal aspect that he really couldn't address right now, but there is a legal aspect that both Mr. Kaman and Mr. Waddington have hinted at. There is an ongoing investigation that is completely out of our hands now with the federal government involved now out of the Cleveland office. Where that's at, he did not know.

Mr. Waddington said he knew he was getting a little bit ahead of himself, but Items 6 and 7 are combined. Where it says, *"It is anticipated the City of Sandusky General Fund will assume the long term financial responsibility for these repairs as these grant funds will need to be repaid once insurance, criminal investigations and legal matters are resolved. Additional repairs will be required in 2009. A list of the properties involved in these programs is available upon request."* That's when he called Mr. Icsman's office and got a copy. He's worried here that we're borrowing our money against itself to pay for it. He didn't know in fact if it was criminal or if it was oversights or what. He's not an investigator in this, but it just seems really, really wrong and especially when we are looking for dollars and telling people I can't give them a raise. This was really troubling to him. It goes back to who signed off on these okay and who are these inspectors. He thinks that needs to be resolved. If someone went in and said this room is entirely complete, then he has to hold that person responsible who signed off for it. Maybe, it may be further up, he don't know. He thinks the whole picture needs to be looked at because it's really scary. And he's

been in some of the houses. He could grab a ten-year old and give him a hammer and a nail and he could probably do some of the work that they did. Mr. Kline said he meant it's been looked at, but not by us anymore. It's being looked at by the OIG's Office (Office of the Attorney General). He meant he's right. They are being looked at. President Stahl said the lawyers like to say the wheels of justice grind slowly, they don't grind always at the pace that we want them to. Mr. Waddington said but them wheels are chewing up dollars after dollars, slow at best.

Mr. Brown said we have an investigation, could he ask how we got in this predicament in the first place? How did we get to where we are at right now? He knows that we have investigators from outside, but surely there are some things that we can investigate ourselves and see how we got into this predicament in the first place. President Stahl said Mr. Icsman is going to answer that question. Mr. Icsman said he was going to try. And Mr. Brown we did do that. Initially the investigation was in-house at the request of Mr. Kline and we did a certain amount of investigation for three or four months, maybe five, disciplinary action was taken as a result of that. And also as a result of that investigation, moving the matter along to a certain point, the OIG, the Office of the Inspector General, Department of House and Urban Development, took it over, which stopped our in-cost that we have in doing the investigation, because we got an independent person to do it. But that has happened. It may not be over. He thinks some of it is open ended, based on what the federal government may or may not find, but some discipline was taken against these three employees, with more to come based on something we're not in control of as Mr. Waddington and Mr. Kline said before. The federal investigation is good in that we don't have to pay any money for anybody to do anything and we simply cooperate and do what they say. And it's bad in the sense that you don't really have control and you do not share information the other way, which is a good thing he supposed. But they don't, they work with us if we need any of the files. They literally took the physical files, all 75 of them. They issued a federal subpoena to him and took them off-site. They're in Cleveland and they're being looked at now.

Mr. Waddington said having this clear, after a year no one's been charged? Mr. Icsman said correct. Mr. Wadding said so it could just be mistakes then, we're just assuming no one has been charged? Mr. Icsman said no one has been charged criminally Mr. Waddington, no. But there has been discipline before charging certainly, disciplinary violations. President Stahl said Mr. Brown they would bring him up to speed. The Clerk called the roll on the motion: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. The Clerk then called the roll on final passage of the Resolution: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. President Stahl declared the Resolution passed.

ITEM #7 - Communication – Ed Widman, Finance Director

BUDGETARY INFORMATION: This City Commission authorized the expenditure of funds in the amount of \$461,067.00 for the repairs to homes involved in the City's 2004, 2005, and 2006 Housing Rehabilitation Program by Ordinance No. 08-062, passed on July 14, 2008. At the present time, existing State and Federal Grant Revolving Loan Funds are pre-funding the cost of the repairs. An additional \$163,933.00 is being requested for repairs through the process of pre-funding the cost of the repairs using existing State and Federal Revolving Loan Fund Grants. The total amount for repairs in 2008 is estimated not to exceed \$625,000.00. It is anticipated the City of Sandusky General Fund will assume the long term financial responsibility for these repairs as these grant funds will need to be repaid once insurance, criminal investigations and legal matters are resolved. Additional repairs will be required in 2009. A list of the properties involved in these programs is available upon request.

ORDINANCE NO. 08-143 - Appropriating Funds and Ratifying the payments made to various contractors and approving payments to be made to contractors for additional services for the repairs to homes involved in the City of Sandusky's 2004, 2005, and 2006 Housing Rehabilitation Programs in Calendar Year 2008. It was moved by Mr. Waddington and seconded by Mr. Kaman that this Ordinance be passed under suspension of rules in full accordance of Section 14 of the City Charter. The Clerk called the roll on the motion: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. The Clerk then called the roll on final passage of the Ordinance: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. President Stahl declared the Ordinance passed.

ITEM #8 – Communication – Kathryn K. McKillips, Director of Engineering Services
BUDGETARY INFORMATION: The cost of refuse and recycling pickup and disposal is paid through the General Fund, Recreation Fund, Water Fund and Sewer Fund based on the usage (number of pickups per week and the container size). It is recommended that the City enter into a three-year contract for a total not to exceed \$88,200.00.

ORDINANCE NO. 08-144 - Enter into a contract with F.S.I. Disposal/Fultz & Son, Inc. of Clyde, Ohio, for Refuse/Recycling Collection on City property for the period of January 1, 2009, through December 31, 2011. It was moved by Mr. Warner and seconded by Mr. Kaman that this Ordinance be passed under suspension of rules in full accordance of Section 14 of the City Charter. **Discussion** – Mr. Kaman said just for clarification this was for the dumping of the trash in our trashcans and our dumpsters around City facilities and City parks, etc. It was not in any way tied to Curbside Recycling.

Mr. Waddington said it's going to be Christmas in a few days and they now have two recycling bins, one out on the Kiwanis Park area and one at the Service Complex. They eliminated the one on this side of town on Monroe Street. So are we looking at any temporary sites for that? Mr. Kline said those temporary sites in that proximity was the parking lot on Hancock Street, but it was very thin asphalt paving and would not hold up to the large trucks. They did get an estimate to put more asphalt on of approximately \$30,000, but we just didn't have the funds at the time. So that was why they made the decision to split it up and make it two sites for right now.

Mr. Kaman said he would like staff to contact Sandusky Filling & Brittle because they have two parking lots at Hancock and Warren (Scott/Hancock @ old Chefs Pantry) Streets that they are not currently using that we could lease one for at least six months until this was figured out. The Clerk called the roll on the motion: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. The Clerk then called the roll on final passage of the Ordinance: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. President Stahl declared the Ordinance passed.

ITEM #9

ORDERED IN AT THE MEETING OF DECEMBER 8TH

ORDINANCE NO. 08-145 - Changing the name of South Deport Street, extending from Camp Street to Hayes Avenue (State Route 4), in the City, to Seavers Way. It was moved by Mr. Waddington and seconded by Mr. Fuqua that this Ordinance be passed under suspension of rules in full accordance of Section 14 of the City Charter. **Discussion** – Mr. Waddington asked could they go out to CAC for like a five-minute dedication to honor this installation event? President Stahl said sure, he would be happy to do that. Make that happen Mr. Kline. The Clerk called the roll on the motion: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. The Clerk then called the roll on final passage of the Ordinance: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. President Stahl declared the Ordinance passed.

ITEM #10

ORDINANCE NO. 08-146 - Amending Part One (Administrative Code), Title Five (Officers and Departments), Chapter 145 (Employment Provisions) of the Codified Ordinances, in the manner and way specifically set forth hereinbelow.

It was moved by Mr. Kaman and seconded by Mrs. Farrar that this Ordinance be passed under suspension of rules in full accordance of Section 14 of the City Charter. **Discussion** – Mr. Kaman said he would thank staff and go further back and thank Dannie Edmon, who started this and Mr. Crandall who picked it up after him. And along with Mr. Waddington, Mr. Murray, Warrenette Parthemore, himself and staff, it took over a year to get this thing done. Section 145 was a huge tool in the Charter (Code of Ordinances) and this needed to be looked at for a long time and it took a long time to do it. The Clerk called the roll on the motion: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. The Clerk then called the roll on final passage of the Ordinance: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. President Stahl declared the Ordinance passed.

ITEM #11 – Communication – Kathryn K. McKillips, Director of Engineering Services

BUDGETARY INFORMATION: This revised project cost based on bids, including engineering, inspection, advertising, Brownfields/BLRA oversight and miscellaneous costs is \$862,000.00. This project will be paid with City Capital Funds, based upon notes to be issued by the City and retired with the proceeds from the TIF arrangement on the Chesapeake Lofts Condominium.

ORDINANCE NO. 08-147 - Enter into a contract with Hoty Builders, LLC, of Sandusky, Ohio, for the Paper District Public Waterfront Improvements Project Phase 1. It was moved by Mr. Kaman and seconded by Mr. Fuqua that this Ordinance be passed under suspension of rules in full accordance of Section 14 of the City Charter. **Discussion** – Mr. Kaman said he was happy this was going out today and it was getting awarded, and Hoty was a good contractor. He had no problems with them, but he was concerned about the steel piling work and who is he going to use to do that work? Mr. Angelo Hoty, Hoty Enterprises, Hoty Builders, said they were happy that they won this bid. Mainly because the next bidder was from Michigan and they were thrilled that they were going to be able to use local contractors to accomplish this job. There were four people from out of the state that competed against them and they were successful at winning this. And the people they have chosen to do this project is people that the City of Sandusky have already used as recently as last year, not only for the sheet piling, but for concrete work to the stone work. This individual has done City work in the past and have done many projects with Hoty Enterprises and Hoty Builders. The individuals that are going to be doing it are Shoreline Construction.

Mr. Warner said in answer to part of Mr. Kaman's question, and he did check into this, and he did believe that the sheet piling is being bought from a New Jersey company and is a United States made product. So it is U.S. steel and we are not buying it from China or Japan. Mr. Hoty said that's correct. The Clerk called the roll on the motion: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. The Clerk then called the roll on final passage of the Ordinance: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. President Stahl declared the Ordinance passed.

Item #12 and Item #13 were moved to the beginning of the meeting.

ITEM #14 – LEGISLATION WAS WALKED INTO THE MEETING

Communication – Ed Widman, Finance Director

BUDGETARY INFORMATION: This action will cover anticipated expenditures through December 31, 2008. The last payroll occurs on December 19, 2008 with the final City Commission meeting on December 22, 2008. The agenda deadline occurs before the final payroll costs are determined. The amendment needs to cover final payroll and other projected costs through December 31, 2008.

ORDINANCE NO. 08-150 - Adopting Amendment No. 2 to Ordinance No. 08-014, passed by this City Commission on March 11, 2008, making General Appropriations for the Fiscal Year 2008. It was moved by Mr. Waddington and seconded by Mrs. Farrar that this Ordinance be passed under suspension of rules in full accordance of Section 14 of the City Charter. **Discussion** – Mr. Widman said it was noted in the communication that there is needed a motion also to accept the transfers. President Stahl asked Mr. Waddington to amend his motion to add that. Mr. Waddington said he would and Mrs. Farrar accepted the amendment. The Clerk called the roll on the motion: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. The Clerk then called the roll on final passage of the Ordinance: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. President Stahl declared the Ordinance passed.

Under the **City Manager's Report**, Mr. Kline said they had a **\$25 donation from Dave Waddington, in memory of Nobuko "Suzie" Korneffel for the Friends of the Greenhouse.** Mr. Warner moved to accept, Mr. Fuqua seconded, carried.

Mr. Kline said he had list in the **memory of Ray Mooseburger:** \$20, Margery Henderson; \$50, Missy Prodadue; \$100, Darla Duncan; \$25, Craig & Kim Norman; \$20 Lewis & Norma Zorn; \$150, Alice & Mark Lately; \$25, Jim & Susanne Zurdivin; and \$30 from Mary Lacy. Mr. Warner said so moved, Mr. Kaman seconded, carried.

Mr. Kline said **Mr. George Mylander gave \$1,000 to be utilized for the purchase of portable cameras to be installed in City parks for vandalism.** Mr. Fuqua said

so moved, Mr. Waddington seconded, carried. **Also \$300 to our Sandusky Police Fund from Mr. Mylander.** Mr. Fuqua moved, Mr. Brown seconded, carried.

Mr. Kline said it came to their attention after they were rounding out the year that there was a typographical error on Ordinance No. 08-020, passed on March 24, 2008 requesting the City Commission to approve the remaining balance of the salt contract. The communication has requested \$42,500, but the ordinance as typed only requested \$42,000. So throughout the year the purchase of salt was \$117.42 over. **They have discussed it and for the State Auditor's sake they needed a motion to allow for that \$117.43 overage.** Mr. Brown moved, Mr. Fuqua seconded, carried.

Mr. Kline said he would like to let the City Commissioners know that he had **appointed Mr. Clifton Frisby to the Erie County Board of Health as the City's representative. Mr. Frisby would be completing the remainder of an unfulfilled term vacated by the resignation of Ms. Virginia Taylor earlier this year. His term will expire December 31, 2011.**

Mr. Kline said in addition, **Mrs. Thelma Darden has been reappointed to another five-year term on this board and this new term will expire December 31, 2013.** President Stahl said he and Mr. Kline have had a discussion on this and he has had discussions with the Erie County Health Board, Mr. Peter Schade. And he told him that the next time someone came up, he was going to bring this up. He sits on the Finance Committee with five CPA's that give freely of their time to sit right there, sometimes for almost two hours. Pervis was there as a guest. Some of them were here until twenty till 10:00. They do it for free. They do it out of the goodness of their hearts. This committee is the only committee inside Erie County that he knows of that is paid. They're paid \$80 a meeting. And he called Mr. Schade, and he knows this is going to be in the paper, and he told him last summer that the next time someone was up for appointment, he was going to say that he would hope that they would donate the money to the City of Sandusky. He doesn't feel that a citizen of Erie County, that Erie County should pay any citizen to serve on a committee. If we need to pay citizens for committees, my Lord, the line would be forever long here. Now, they're paid like a \$1,000 a year or so whereabouts, correct Mr. Widman? And he asked Mr. Schade why they're paid \$80 a meeting? And he said they can, some counties they pay people to serve on the Health District and other ones they don't. Well he believed this one it's goofy. He means we pay taxes as citizens of Erie County. Erie County is in no better financial position than the City of Sandusky. So he's struggled with this when he talked to him on Friday night and he told him that, he was not worried about the name. He's not questioning Mr. Frisby whatsoever or anybody that is on the committee, he thought as a City that we should ask maybe, he would talk to this group (City Commission) and once again point out that they're getting \$80 a meeting for doing this. And he would be public, he was sure it would be in the newspaper tomorrow morning. As our designee, Mr. Frisby, if he would be willing to donate that money to the Health Center that's out at Firelands Hospital that is associated with the Health Department. So that money could go, if they insisted on paying him, to go to that function. Specifically for care for children that need the care. That's his opinion. Somebody else could change it, but he thinks it should go in the right way. Now how many members do we have in the City of Sandusky? It's eight or nine isn't it? Again, you pay \$10,000 a year. This County is paying our citizens to serve on their committee. He didn't quite understand it, but if they want to do it, he would think that we would say stop and draw the line in the sand today, December 22, 2008, and say from now on anybody we reappoint to this committee, we would ask you to donate the money to that Family Health Practice Clinic or something or what it was, they just changed the name of it. Anybody that's currently serving doesn't have to do that. That would be their call. But you know they also get retirement benefits for this thing. They get the PERS. This is a little stickler with him, but he would like to see what the committee thought about it. If he's nuts, tell him he's nuts and they would move on to the next item on the agenda. Mr. Warner said he's served on a lot of committees in his time and he has never been paid for one. He tended to agree with him.

Mr. Fuqua said how many members? President Stahl said five members. He thought it was about \$1,200 a year that they were getting totally. Mr. Brown asked now who was paying these members? President Stahl said the County. We are the conduit. We pay them, he believed, we pay them and then we get reimbursed from the County, is that how it works? Mr. Widman said no, they just pay them directly

from the County. President Stahl said they had a tough time tracking that one down. Mr. Brown said we're going to put a stipulation only on our appointees, but appointees from other areas and other locations are not going to have that stipulation on theirs, he would think that would be truly unfair. President Stahl said no, he had no intentions to tell them, Perkins Township what to do. Mr. Fuqua said it's not a stipulation, didn't you say you were going to ask them? It was not required that they donate it back, but you were just going to ask them if they would? President Stahl said yes. Mr. Fuqua said he didn't have a problem. President Stahl said and he thought it would be real clear what our thoughts are.

Mr. Warner asked how many people total are on that committee? President Stahl said five. Mr. Warner asked was that from the whole area? Mr. Kaman said no that's just the City of Sandusky. Mr. Warner asked how many are total on that committee? As no one knew, he said he thought it was 15 to 20 of them. It could be a significant savings to the County if they get away without paying that. President Stahl said he thinks the County Commissioners would know loud and clear tomorrow morning. So he guessed that Mr. Frisby was just fine with them. If anybody has any problems with Mr. Frisby, it's Mr. Kline's appointment anyway. So welcome to Mr. Frisby.

Mr. Kaman asked whose place did he take? Mr. Kline said Virginia Taylor. President Stahl said she was long serving at about 40 years. So we could get her a letter of thank you on our behalf. The Clerk, B. Joyce Brown, said we did a resolution for her at a dinner that the Health Department held for her.

Mr. Kline said they know how difficult the economic times, and usually during these times we happen to see a tendency of additional crimes in the statistics throughout the County, throughout the State and us. **And certain types of crimes have been on the rise like burglary or theft so he was asking everyone to pay attention to their surroundings.** *Vice President Stahl stated as there were no further questions, he would continue.*

Mr. Waddington asked where we with the **salt brine** that we were going to do? Mr. Kline said we are doing it. We do it before every storm and it was working fairly well and we have put over an excess of 10,000 gallons of brine down. They were paying attention to the weather and before quitting time, they would see when it starts to dry a little white patch. They were putting it down also with the mixed beet juice and then when the storm does come they would be able to get through the main routes and 250 bypass because it freezes instantly.

Mr. Waddington said the **Keller Building and stones falling, in fact it was just the façade.** Mr. Kline said some of the pieces came out into the street normally where some people would park, but it was blocked off. Much of the building on the north side needs to be repointed, especially higher up on the second and third floors. They shut the street down until Mr. Poulos could get down there the next day and he assured it would be okay. Mr. Waddington said the water tower itself is not weight bearing and it is on a concrete structure. Mr. Kline said it's actually part of the building itself.

Mr. Kline said also he forgot that **part of the MPO with MidStates at the time was to market the Keller Building after months of bidding that RFP, request for proposals, the Keller Building goes out tomorrow morning.** Mr. Waddington said originally they had talked about it would be 30 days, has he talked to Mr. Schell about extending that to maybe 60 days, which would be more reasonable for a developer? Mr. Kline said it's technically 58 days, and they just picked February 20th, which was a Friday. So all of our RFP's are due back to City Hall 10 o'clock in the morning on Friday, February 20th. Discussion ensued.

Mr. Waddington said we repaired the roof and windows, his last recollection was \$20,000, what do we have left from the \$100,000 and the work that has been done and the insurance? About \$50,000 was his guess. Mr. Kline said that was about right, we've spent almost \$70,000 and they added the \$20,000 from the insurance and to reimburse that, that would be \$50,000. Discussion ensued.

Under **New Business**, Mr. Waddington said **Saturday, January 10th at 9:00 a.m. they would hold their Saturday coffee meeting at the Greenhouse and they would cover the new energy updates and questions on solar energy.**

Mr. Warner said he attended the County Commission meeting this morning and they all met with Congresswoman Kaptur on Friday and they assured him this morning that they were in touch with Mr. Kline and our Economic Development people. And they were going to be very shortly making calls today and they would

like to get together with us and the rest of the subdivisions in Erie County after the first of the year and **get our wish list for the \$700 to \$800 billion economic stimulus package** that our new President has passed into law in early January of **whatever we need of infrastructure, roads, bridges, water lines, sewer lines, sewer separation lines** was a big one for the City of Sandusky if we could get help from the federal government. Some of the green energy plans that Commissioner Waddington likes to follow. She (Congresswoman Kaptur) says there's money in the economic stimulus packet, but we have to ask for it. You have to get on her wish list and you have to get on everybody else's wish list out there. And Commissioner Moneghan said he had been in contact with Mr. Kline this weekend and he said he was going to call him today. Mr. Schell said he was in contact with him. Mr. Waddington said he believed that was shovel ready, something we were looking to do two years from now. Mr. Kline said he called Congresswoman Kaptur's office directly and he was going to have another gentleman give him a direct call. It was shovel ready and any type of emphasis on green technology and the e-mail from the Commerce Department indicated they would also look at Economic Development Action Plans. We have two shovel ready products they felt would be eligible and they were both infrastructure projects. The other one they were actually considering is green is additional solar panels for the Greenhouse. Discussion ensued.

Mrs. Farrar said in the newspaper today and she's heard at this table and she felt that way too, not real welcome, to a sharing of services. They had been out to Perkins Township last year and they all had mixed feelings of if they wanted to partner with us or not. ***She was wondering if the new Mayor would send a letter to Perkins Township Trustees and ask they do you, yes or no, want to merge emergency services and dispatching with us?*** Then we know. President Stahl said he would do better, he would call them. Discussion ensued.

Mr. Kaman said on our **Regional Water Committee, the Water Departments of Huron, Sandusky and the County now were looking very strong into sharing equipment, sharing personnel.** They started last winter when the lines started bursting all over the County and they all had to team up and help each other. So why should everybody buy these big backhoes for half a million?

President Stahl said Friday they attended the 248 National Guard being dispatched to Iraq and it was a very moving experience.

President Stahl said he had appointments: **ADA Advisory Board** – *(There is one vacant seat on the ADA Advisory Board and applications are currently being accepted to replace Coralee Bosworth).* Robert Egger reappointment; John Ginty Reappointment; and Martha Thompson reappointment. All appointments expire December 31, 2010. All Commissioners voted "Aye" and the appointments were accepted.

President Stahl said the **Audit/Finance Committee** - Dan Moncher reappointment; Jim Ruthsatz reappointment, term expiring December 31, 2010. *There was one vacant seat on the Audit/Finance Committee and four applications were submitted for consideration (to replace Leon Weiber): Marie Kirksey, Randy Whitman, Brian Allen and Michael Walski. The Volunteer Applications are attached.* All Commissioners voted "Aye" and the appointments were accepted.

President Stahl said the **Board of Zoning Appeals** - Walt Matthews reappointment, term expiring December 31, 2013. All Commissioners voted "Aye" and the appointment was accepted.

President Stahl said the **CRA Housing Council** - Rev. Albert Porter reappointment; Shirley Schwanger reappointment; Jim Timmerberg reappointment; and Marlisa Young reappointment. All terms expire December 31, 2011. All Commissioners voted "Aye" and the appointments were accepted.

President Stahl said the **Electrician Examining Board** - Dan Fresch reappointment; Dan Hartleib reappointment; Kenneth Tunnell reappointment; and Battalion Chief Mike Yost reappointment. All terms expire December 31, 2009. All Commissioners voted "Aye" and the appointments were accepted.

President Stahl said the **Erie Regional Planning Commission** - David Miller *(Regular)* reappointment; John Panzer *(Alternate)* reappointment. Terms expire December 31, 2009. All Commissioners voted "Aye" and the appointments were accepted.

President Stahl said the **Fair Housing Board** - Chris Tulupan reappointment, term expiring December 31, 2013. *There was one vacant seat on the Fair Housing Board and two applications were submitted for consideration to replace Coralee Bosworth: Kenneth Lilje and Sharon Johnson. The Volunteer Applications are attached. The person appointed would fulfill the remainder of a five-year term ending December 31, 2010.* All Commissioners voted "Aye" and the appointment was accepted.

President Stahl said **Oakland Cemetery & Memorial Park** - Thomas Darden reappointment; Pauline Mackey reappointment; Bernard Palmer reappointment; and Kevin Zeiher reappointment. All appointments expire January 31, 2012. All Commissioners voted "Aye" and the appointments were accepted.

President Stahl said the **Planning Commission** - Leroy Silvani reappointment; term expires January 18, 2015. All Commissioners voted "Aye" and the appointment was accepted.

President Stahl said the **Recreation Board** - David Prophet reappointment; and Barbara Rose reappointment. Terms expire December 31, 2011. All Commissioners voted "Aye" and the appointments were accepted.

President Stahl said the **Sandusky Tree Commission** - Cynthia Ball reappointment; and John Parker reappointment. Terms expire December 31, 2011. All Commissioners voted "Aye" and the appointments were accepted.

President Stahl said the following persons have also expressed an interest in serving whenever they have an opening and their Volunteer Applications are attached to this Memorandum: Daniel L. Miller (HRC, Civil Service Commission and/or Bayfront Corridor); Barbara J. Shaver (Where needed most); Breann Hohman (Sandusky Tree Commission); Bill Smith (Recreation Board); David Mack (DDRB – anything w/ downtown development); Mark McGory (Planning Commission); and Sharon Johnson.

Mr. Kaman said he would make a motion for an **executive session under Personnel, City Manager, Charter Officer**. Mr. Waddington seconded the motion. The Clerk called the roll. Yeas: Warner, Waddington, Kaman, Farrar, Stahl, Fuqua, Brown, 7. Nays: 0. President Stahl declared the motion passed.

Under **Audience Participation**, Mr. Wesley Poole, 1939 E. Oldgate, commented that it was totally inappropriate, reprehensible that they would sit there on television and put Mr. Frisby in a position that they did. He was just a citizen that volunteered for a committee and he publicly demeaned the job and suggested that he give back whatever payment was offered for this position. First of all he may or may not have known that he was getting paid. And what does he say to the citizens out there and having to deal with this public relations problem that you created for him? There was a County Commission meeting this morning, did you folks by any chance go talk to them? They're the ones that it's their money. He thinks it's totally inappropriate for you folks to deal with this the way that they did. He owed him an apology. He owed the man an apology because he's got to walk the streets here and deal with all of the folks we see in the blogs everyday. They're going to have a comment about something that if it was a problem about him, he could have stopped at his house since he lives across the street from you Mr. Fuqua, before the meeting. Probably secured it and taken care of it. He was just disgusted. And if this is the way you folks do business, he wouldn't blame Perkins for not wanting to do business with them. President Stahl said Mr. Poole it was nothing, he's known him longer than most of the people sitting at this table. And he knows that he never wants to hurt people's feelings and it was no intention to hurt Mr. Frisby's feelings at all. It was his opinion as a citizen, was to bring this point out, that they're paying people to serve on a committee. There's friends of his that serve on that committee. And he talked to the Director out there and he just don't feel that we should pay citizens to do that. Now, he feels very bad if Mr. Frisby gets thrown in the flow here, he didn't mean that to happen and he apologized. He would give Mr. Frisby a call in the morning and tell him it's no slight intended on his part or he didn't believe anybody else's comments that did that and he would feel bad if he took it any other way than the way he just said it. Mr. Poole said he (Mr. Frisby) may take it any number of ways. How long have his (Mr. Stahl's) friends on this committee been collecting this pay? Suddenly today he needed to bring this up publicly? That's the issue. It's not about what you intended Craig. He's not sure what he intended and it really doesn't matter. The fact of the matter is he never thought about it. President Stahl said he did think about.

He called the Executive Director and he talked Mr. Kline about it. Mr. Poole said okay, then he did know what he was doing. So all this business about he was sorry he didn't mean to... President Stahl interrupted and said he didn't have any ill feelings towards anybody Mr. Poole. He'll let it go at that and he thinks that anybody that knows him, knows there's not a mean bone in this body. Mr. Poole said he hoped that somebody up there recognizes that this was inappropriate.

Mr. Mark Norman, 1015 Third Street, said he agreed with Wes. It was totally inappropriate to single out one individual publicly about this issue. And this guy (Clifton Frisby) works his rear end off in this community trying to make a difference in people's lives and he deserves every bit of it. And he guaranteed them that he would put it to a good cause regardless. And to just single him out and to set him up where he doesn't have a chance to respond, he thinks it was wrong. President Stahl said well then he would humbly apologize in front of the whole camera right now if he's made a mistake, because none was intended to be that way. He just thought it was inappropriate for the County to be paying people that serve on committees. It was no slight whatsoever meant to Mr. Frisby. He's probably a wonderful guy and in his mind, and he wasn't speaking for anyone other than Craig Stahl, that he didn't think the County should pay people to serve on that committee. Mr. Norman said he thought it should have been taken up with the County at an administrative level and then handled in a more private conversation and certainly with Mr. Schade as well. And that's where it needed to be handled and not in public. President Stahl said he did talk to Mr. Schade about it.

Mr. John Ginty, 5055 Providence Drive, said he left early last meeting, but he would like an update on the Monroe Street property. And this keeps coming up over the years and when people receive pets and responsibility goes with that. Many seniors have complained that people are using public property for their pets to defecate on. At one time the City put up pooper stations with bags, but it just continues. When they have events downtown people don't clean up after their pets. We need more emphasis on this because public property and your neighbor's property is not the place for your pets to do their business and he would like to see some action taken.

Mrs. Sharon Johnson, 1139 Fifth Street, asked has the Chesapeake paid us that \$1,000 or has it been written off? Mr. Kline said no, they are going to pay us. They have agreed to pay us probably within the next 45 days. Mrs. Johnson asked were we completely done with them after they send that check in? Mr. Kline said that's part of the agreement to disagree so to speak. They had negotiated a settlement agreement with Midstates and it does include that payment. Mrs. Johnson asked would that come before the Commission? Mr. Kline said absolutely. Mrs. Johnson said she agreed with Dave Waddington on Housing and running a log. When you have a mess like this on both that and the Nuesse case, there should have been time and charges run on those right from the beginning in case we can recoup these. All of that has been lost. Could we get out of the Housing Program after we've taken care of everything, because it doesn't seem to have been monitored correctly and still may not be? Mr. Kline said we are actually not in the program right now and we won't be for another two years at least. Mrs. Johnson said we've been kicked out? Mr. Kline said yes. Mrs. Johnson asked how was the bed tax for the Chesapeake going? She thought we should get any kind of money we can possibly get if the budget is the way it is. Mr. Widman said he didn't have specific numbers, but we're still working on it. Mrs. Johnson said the RFP on the Keller Building, did it go out on the City Building as well? Mr. Kline said it'll go out the same day.

Mr. Tim Schwanger said the salt situation and \$170 of overage and cleaning it up for the State Auditor, and coinciding with that the use of Revolving Loan Funds for the Housing problem, did we have to make sure we could use those funds to do that? President Stahl said the Revolving Loan is a totally different thing. Mr. Widman said the resolution and the ordinance basically mirrors what we've been doing since we became aware of the problem. We're paying expenses out of our state and federal grants. We talked with the state people and we're not going to be able to participate in the program for at least a couple years. There were numerous things that they told us that we were guilty of. When the day comes and all the dust settles, if there is an obligation at the end, they would find ways to spread that cost out over at least ten years. Mr. Schwanger said he just wanted to make sure we weren't getting into trouble down the road by using the funds in the wrong direction, because he understood CDBG money was loaned out and when it comes back in from those

businesses, it goes into the Revolving Loan Fund to hand that out to additional businesses. Now we're using it for something that really isn't business retention expansion. Mr. Kaman said he thought the misconnection there too is also that it is the Federal Revolving Loan Fund and not our local Revolving Loan Fund. Mr. Schwanger said the \$862,000 he assumed was the walkway around the Chesapeake? Someone said that's correct. Mr. Schwanger said the original figure a few Saturdays ago down at the Fire Station was \$1.8 million to \$1.3 million. If we have a contingency fund set up that goes beyond \$52,000 or did they feel pretty good about that or is the debt that we pay back shorter? Mr. Kline said best year's estimate was \$1.3 million and it was \$1.8 million if you include the two public areas. Those haven't been decided. He believed all of the bidders came under the engineer's estimate. Several of them came well below, with Mr. Hoty the successful and after meeting with him he feels he can do it with what he put his bid in for. Potentially what that means is they've got an engineer's estimate at \$1.3 million and if it's an \$800,000 job, obviously the note is going to be much smaller and will be paid back quicker. It's good to see this move forward. Mr. Schwanger asked did they keep track of vacant industrial sites within the City? Mr. Kline said our Fire Department actually in '08 conducted a complete inventory. Mr. Schwanger said it would be nice if they used that list and used some of the \$700,000 billion to \$800,000 billion to give to the owners of those property and make those sites economic development job ready with a couple of incubator businesses to get the economy going. Discussion ensued. Mr. Schwanger said Item #1 repealing of Ordinance 08-096, which is the Marina District ordinance for the developer agreement that was passed October 14th and as he mentioned before, Mr. Eymann started pre-selling. It says pre-sale in the developer agreement in September. He just wanted clarify that.

At 7:14 p.m. President Stahl stated that they would take a ten-minute break and return for an executive session. At 7:24 p.m. the City Commission and City Manager only returned.

An executive session was held on Personnel, Charter Officer, City Manager.

President Stahl returned to the table and entertained motions for adjournment.

ATTEST: _____
 B. JOYCE BROWN
 CLERK OF THE CITY COMMISSION

 CRAIG H. STAHL, PRESIDENT
 SANDUSKY CITY COMMISSION