

**Rittman City Council Met in
A REGULAR MEETING
on Monday, June 11, 2012 at 7:00 p.m.**

Members Present: Steve Johnson, Glen Russell, Richard Lapehn, Lynn Beaumont,
Darrell Carey and Rick Hanlon

Members Absent: None

Presiding: Mayor William Robertson

Invocation was given by Dr. Richard Lapehn, Pastor followed by the Pledge of Allegiance

Approval of Minutes – May 14, 2012

Carey moved to approve, upon roll call; Hanlon-Yes, Beaumont-Yes, Russell-Yes, Carey-Yes, Lapehn-Abstain, Johnson-Yes and **motion carried.**

Workshop

a. Discussion of the 2013 Budget

City Manager Boggs advised they were still in limbo as to what they were going to do for the 2013 budget as far as (generating) revenue. He advised he believed the audit was almost complete and Barb (Rissland) spent the last couple of days working on some information for Council who has her spreadsheets and she has prepared a short presentation to better explain it to Council using the overhead projector. Boggs apologized the room wasn't conducive for the audience to be able to see the screen.

Finance Director Barbara Rissland advised there were a couple of different items of information that Council asked for the last time. She advised they included information related to the income tax allocation vs. the water rates vs. sewer rates vs. the (sewer) debt to be paid. Rissland advised the way the appropriations are right now in 2012 they have appropriated \$187,000 more than the estimated revenue. She advised that means they have to use their fund balance to make up the difference. Rissland advised in 2013 it is estimated they were going to lose another estimated \$80,000 in the form of estate taxes, local government funds and tangible personal property tax reimbursement. She advised the good news was they have talked to Jarra (Underwood, Wayne County Auditor) about getting the inside millage and that should bring back in about \$45,000 to the general fund. Rissland advised they were looking at a loss of approximately \$35,000 next year in the governmental type of funds. She advised if they stay on pace and everything remains the same as this year they would have to "eat" into the fund balance roughly \$225,000 to make the budget status quo from what it is this year. Rissland advised it was estimated that the ending cash balance of last year from the \$187,000 deficit that there was roughly going to be \$330,000 less. She advised to keep in mind that we probably never spend 100% of our appropriations and the revenue estimates were fairly conservative so they should get in more revenue than budgeted, but they really can't count on all of that. Rissland rhetorically inquired if they could make it through 2013 if everything stays the same and answered with probably, but it would be very very tight. She advised going forward anything Council would do takes time to implement. Rissland advised some of the numbers in looking at the information provided in the packet on page 4 they (previously) talked about analysis of the impact if they change the allocation of the income tax collections on the water fund. She advised they talked about what the impact would be at full percentage or 69% (increase in the water rates) to make up everything that would go back into the general fund if they change the allocation to put 0% into the water fund (of the current 25% of income tax collections going to the water fund). Rissland advised she also went through and did a calculation to see what it would be at a lesser rate. She advised for example if they left 10% allocation going to the water fund that would then require an increase (in water rates) of 41% to make up that money. She advised the average residential consumer uses around 4,000 gallons a month and that would average out to an increase of \$71.52 per year. Rissland advised on page 5 it was asked if they made that change and the debt came off as to what kind of potential increase in sewer rates were they looking at. She advised the OWDA debt service that was coming off was \$272,000 on user charges of \$1,180,000. Rissland advised if they equate what percentage reduction they could do to make up that \$272,000 it comes out to about 23%. She advised they could potentially reduce the user rate by around \$100 a year. Rissland advised if they don't want to give back all of that because we have other needs that we could use that money for in the sewer fund then giving back 17% would be \$207,000 reducing it by around \$74 a year. She advised if they go back and look at that same green column on the water sheet it roughly equates to what the 41% increase was in fact on an annual basis of the average residential customer's utility bill at that rate, which sounds good until the other sheets in the packet talk about the debt service. Rissland advised she included in the packet

information for the debt service on the sewer fund, which shows the \$272,000 coming off and it shows the debt of the USDA loan that goes until 2033. She advised when they paid down the \$60,000 last year on that debt they actually saved \$68,000 in interest over the life of that loan. Rissland advised on the corrected page 5 if they reduce the sewer rate and took some of the money \$65,000 a year and applied it to that debt over the remaining life of that debt they could save \$310,000 interest and shorten the term of that loan from 2033 and pay it off in 2022 saving 11 years of debt service. She advised that sounded good so she asked herself what would happen if we took that full amount of \$272,000 and applied it to the principal on the other debt. Rissland advised if we did that instead of paying until 2033 they would actually pay off that USDA loan in 2016 and the interest would go from \$616,000 down to \$162,000 for a savings of \$454,000 just by taking that additional principal that they were paying in debt service and applying it to the other loan. She advised also the interest cost overall would go down where you combine debt service for those two issues around \$345,000 a year they would drop to \$338,000 then \$324,000 and the final year in 2016 would only be around \$149,000. Rissland advised that was a substantial savings and something that would give benefit back over time and when both of those issues are gone they would have the \$345,000 a year to look at other alternatives. She advised it was something to look at and as on a personal level we always try to do away with our high interest debt first, if we can, before deciding to take a wage cut. Rissland advised those were the extra spreadsheets she handed out and she also talked about income tax and what would happen if another community increased their rate. She advised she provided a list of the top 39 communities and the wages of these top 39 where the City of Rittman receives withholding from where the people who live in the City of Rittman work. Rissland advised in the top 10 there are several communities where our resident's work (that have an income tax rate of) less than 1.5% with the largest number being in Wooster and they are talking about having an income tax issue on the ballot. She advised if they (Wooster) raise their rate from 1% to 1.5% we could potentially lose another \$22,600 and we would have no control over that. Rissland advised these external factors were something to keep in mind because they were things we (Rittman) can't control. She advised when you look at our budget we were fortunate last year by contracting for a very favorable rate with Waste Management and we sold some city property that brought in \$20,000 and we had a very mild winter which helped with expenses on fuel, salt, over-time and heating costs for the buildings. Rissland advised it was a pretty good year, but it could turn around just as quickly. She advised while we can get through 2013 it doesn't leave us much cushion at all for any sort of emergency that could come up. Rissland advised when looking for some direction they were asking them to compare the 2013 budget, which at this point she believed they were trying to keep it pretty much as status quo as possible and increases would be for costs we can't control that we know are going up such as fuel, health and life insurance as we have an aging workforce. She advised they were looking for some direction as they prepare and a reminder that the deadline is August 8th for getting something on the ballot.

Mayor Robertson inquired if she was looking for some direction from this discussion.

Rissland advised yes.

City Manager Boggs advised they needed to make some decisions as to what they wanted to do because the deadlines were soon approaching.

Rissland inquired if there was additional information they would like for July.

Council Member Rick Hanlon advised he would like to see language for the ballot to (reallocate) income tax collections from the water fund to the general fund.

Council Member Richard Lapehn advised he liked the idea of 10% of income tax that currently goes to the water fund going into the general fund. He inquired if the money currently allocated was going into the capital improvements for water or the water fund.

Rissland advised the water fund for operating. She advised they could take governmental money and put it into the enterprise fund, but they could not take the water money and take it out. Rissland advised even if we reduced it down to zero percent (from the current 25% going to water from income tax) they could still choose to fund the water fund.

Lapehn proposed they could say no less than 10% or something.

Rissland advised or they could leave it at zero and leave it at the discretion of management and if they needed to do it then they could do it without having to go back to the voters again. She advised any rate increase or reduction (in the water rates) would clearly have to come back to Council as would any transfer from the general fund into water. Rissland advised Council would have the ability to authorize it on an annual basis through their appropriations or clearly they would approve any rate changes before they could be implemented.

Hanlon inquired if it was typical for income tax to supplement the water fund.

Rissland advised all enterprise funds that she has seen have operated from user charges to pay for the operations. She advised she has never seen it where the income tax supplemented an enterprise fund.

Council Member Steve Johnson advised he concurred with Lapehn that he would like to see it on the ballot to change the allocation of the water fund go to the general fund. He advised especially once they got the sewer plant paid off it would give a lot more flexibility and they could save over \$400,000 in interest.

Robertson inquired if he was in favor of placing it on the ballot to take it to zero (the 25% currently being put in the water fund from the income tax).

Johnson advised yes.

Council Member Darrell Carey advised in order to eliminate the sewer debt by 2016 they would have to reduce the allocation to zero and spend the full \$345,000 on the debt and raise the water rates by 69% to maintain the current activity.

Rissland advised to keep the same amount of money in the water fund they would need to have approximately a 69% increase in water rates. She advised however, there were some favorable things happening like large water consumers that would help offset the amount of money they would need to collect and the amount of money the 25% from income tax generates was greater than what they have lost in the general fund. Rissland advised they could choose to supplement or do a transfer into the water fund for operations as there was nothing that says they have to keep that whole \$345,000 in the general fund. She advised over the two years they lost approximately \$300,000, and they have implemented some steps to make up some of that difference like the inside millage when the township split taking us down to roughly \$250,000 (loss) that we were looking for in total; plus some of the positions we haven't filled. Rissland advised she didn't believe they were suggesting putting that 25% into the general fund and immediately fill all the positions and spend where we were (previously spending). She advised she believed that way they would have what they need, but have the flexibility to operate in an emergency situation if it gets to that point.

Robertson advised if things work out well in 2013 then we may not touch it at all.

Rissland advised or what they may want to do is decide a level they want to keep as a balance in the general fund just in case something happens because clearly a city can spend \$50,000 very quickly in an emergency situation and we have to respond and we have to call our emergency responders on overtime and there were different things that could come up. She advised maybe what they would like to do was decide a level that they don't want to see the general fund balance fall below. Rissland advised anything they have over that (amount) they could agree to transfer in to the water fund or not.

Carey advised we wouldn't have to pay this (extra on the debt principal) if we didn't have it (due to an emergency situation).

Rissland agreed and advised if we didn't have it we wouldn't have to and it would just extend it (the life of the loan), but that was such a long term that anything they could pay down now really would make a huge difference. She advised even if they couldn't do \$272,000, or \$65,000, if they do \$20,000 or \$30,000 they would still see a lot of savings over the years.

Robertson indicated a motion could be made under new business if Council wished to have legislation prepared to place something on the ballot.

Council Member Glen Russell advised at the last meeting he believed a lady in the audience ask for some figures from the finance secretary to provide some items. He advised he felt it was only fair that she be provided what she asked for such as costs for gas, repairs, license fees, overtime hours, salt usage etc. from last winter.

Rissland advised anything collected from the perm tax license fee must be spent on streets. She advised she could talk to the service director and quantify the number of overtime hours that related to snowfall and what the average would have been in prior years. Rissland advised she believed as far as the assessments when they did Douglas Drive they were provided a history of streets improved and how much people were going to pay for Douglas.

Russell advised she wasn't asking for that.

Robertson advised he believed she was asking for how much we saved and he didn't know how they would calculate that.

Rissland advised it was kind of hard to quantify.

Russell advised there should be some type of an estimate as he believed the State of Ohio put out in an article the amount of money they saved in the winter months. He advised if the State of Ohio could do that he was certain Rittman would be able to provide some type of paper.

Rissland advised they would look into that. She advised ODOT's expenditures were more directly related to one operation.

Russell advised then we should be able to do some type of figure, it didn't have to be hours of work, but some type of guesstimate at least because he felt she deserved an answer.

Boggs advised he told Barb (Rissland) not to do it because we simply did not have time. He advised we have had the auditor in for the past month and he has had quite a few people in the office on business regarding a couple big projects being worked on. Boggs advised anyone was entitled to the budget figures as written, but to do a special analysis they just don't have the time.

Russell advised we have a finance director and an assistant finance director to be able to provide that and he was requesting those figures be given to her.

Boggs advised if the entire Council wants it to be done then he would be happy to do that.

Russell advised it really shouldn't be up to the entire Council if a resident has a question we should be able to give an answer back to that resident regardless of who it is or what it is because that was what we are here for. He advised he could give her our budget, but he still would not be able to give the proper figures because he wasn't working in that department because it had to be someone who was working directly in that department to be able to do that. Russell advised we have two

people there and we might not have been able to do it last month because of the audit, but it still should be able to be provided and that was all he was asking.

Robertson advised if we are estimating how much we saved he inquired as to what his (Russell's) guidance would be on what they base that on.

Russell advised he believed they would base it on the amount of salt used and Morton donated some, but we had in the budget how much money if we would have had to buy salt. He advised and the overtime hours and they would have to look at what kind of overtime hours was used in the past and so forth.

Robertson advised there were other things that happened this winter that would generate overtime hours that maybe wouldn't have been done in the past.

Russell advised he didn't really see that big of a problem, but he also felt they should be able to guesstimate if it was a bad winter how much gasoline they would have normally used. He advised the year before they show some type of figures and he was sure they could take some figures of how much gas was spent.

Robertson inquired if (Russell) felt it was valid to compare last winter to the winter before.

Russell advised well no, that was the issue as this past winter was a light winter, but the year before was a heavy winter. He advised there had to be a medium figure in there to come up with and he didn't believe they necessarily had to look at the heavy winter. Russell advised this last winter was light so even half of that if they didn't use that much then what was half of that or a third of that or whatever.

Rissland advised to provide a valid comparison they were going to have to go back a few years and she would say he would want no more than three years average, which does take a little bit of time. She advised our priority here for the next couple of weeks is going to be the 2013 budget because it has to be presented at the tax budget hearing by your next Council meeting.

Russell advised he believed he stated from the beginning that if that was what they were working on to do that, but still those figures should be able to be provided whether it was two weeks from now or a month from now. He advised he was just asking those figures be provided and he wasn't asking they go back any farther than a couple of years.

Hanlon advised since ODOT did a study on that (issue) he would say that Rittman being in Ohio probably saved about the same percentage as what the State of Ohio saved.

Russell advised we don't know that.

Hanlon advised if they (ODOT) saved about 10% then we probably saved about 10%. He advised he thinks that what Barb (Rissland) and Larry (Boggs) were trying to say was that a lot of it was a guesstimate. He advised you (Russell) said the same word that it was a guess.

Russell advised it was a guess, but we'll get the guesstimate from the finance director as she was the one working with that every day.

Citizens Forum

No comments

Old Business

- a. **Motion to Remove Ord. No. 7702 from the Table**
Hanlon so moved, all Yeas on roll call and **motion carried.**

b. **Ord. No. 7702 An Ordinance of the Council of the City of Rittman, Wayne and Medina Counties and State of Ohio, Amending Section 191.07 (a) City Resident Subject to Income Tax in Other Municipality of the Codified Ordinances. Third Reading.** Ord. No. 7702 was read on third reading.

Lapehn advised we might possibly have (more than one city issue) on the ballot and inquired if it would be a competing item with the change in income tax allocation out of the water fund and the potential increase on the out of city worker.

Robertson inquired if he meant voter confusion.

Lapehn advised that too. He advised this (legislation) would raise the tax for those working outside the municipality and the other item changes the allocation of the water income. Lapehn advised he was really in favor of changing the water (allocation), but he didn't know how clear it would be for people to understand that the change wasn't a change in anything other than the allocation to the city of those funds. He advised if that could be made clear to people he felt it would have a greater chance of passing in November. Lapehn advised he wouldn't want to do both and his preference would be the water.

Beaumont advised since this was the first time they have talked about (reallocating) the water and they have been beating this (current issue) for the last four months and he felt they were not going to make it by August. He advised he didn't see them making a decision before that date. Beaumont advised he agreed with (Lapehn) about the water.

Lapehn inquired if he (Beaumont) didn't think they could get it on the ballot.

Beaumont inquired if we were going to have a meeting of the minds and have an ordinance passed by that time.

Lapehn advised he was willing to have a special meeting if necessary to come in and do it because he felt it was a critical thing.

Hanlon advised he felt his (Lapehn's) question was if 7702 passes tonight and in November the water issue passes then we have both.

Lapehn advised and the possibility exists that a (referendum) for this (7702) could be on the ballot at the same time that we have the change in the water allocation on the ballot. He advised he felt people would vote against both and would say just vote no on the city (issues) whatever they are.

Beaumont advised he was a firm believer if they were going to try and espouse a certain position they need to be able to explain it. He advised he felt the way they would promote this was have an ordinance, a document, where there could be discourse. Beaumont advised they could go to the citizens and say this is what has been passed. He advised someone may wish to put it on the ballot, but this was what was passed. Beaumont advised since the last meeting he received calls from 4 seniors asking him why they were going to try and raise taxes on seniors. He advised it was quite obvious to him that the people who are opposed to this are (purporting) misinformation. Beaumont advised he feels we need to have something that we can tell people no, that was not true and show them exactly what was passed.

Lapehn advised he felt they needed one or the other to make it clear.

Beaumont advised whatever they do he believed they had to have a document that they can hand out at public forums such as City Hall and the Rec. Center where they can explain to people and show them the figures. He advised he couldn't take the numbers Barb (Rissland, Finance Director) presented tonight and go to a public meeting and explain it to people as he felt it was very confusing. He advised if there is an ordinance Kevin (Bower, Law Director) drafts that is in simple language that makes it very clear what we are trying to accomplish, he felt it makes it easier for the citizenry to understand what we are trying to do for the city and why we have to do it. He advised it has been in the paper that we are \$300,000 in debt and this ordinance if it passes was only going to generate (approximately) \$94,000 and we weren't going to come close to accomplishing it (the total amount needed), but it was a step in the right direction. Beaumont advised he felt the water issue was another step in the right direction. He advised we had discussion about affecting the capital improvement fund and he was totally against that, but whichever direction we go he felt they needed to be very clear about our position and what we are trying to explain to the people. Beaumont advised if we have to wait until July then we wait until July.

Hanlon advised he agreed that without passing this ordinance tonight they can't go to the voters in November and say if we change our water (fund) around we won't raise your rates because if we don't pass this we are going to need to do something. He advised if we pass this ordinance (7702) we probably won't have to raise (water) rates. Hanlon advised we are still facing a \$300,000 deficit so if we don't approve this ordinance and we go to the voters and ask them to change the allocation in the water we still haven't gained that \$300,000 unless we raise water rates. He advised he didn't want to raise the water rates as he would rather pass this (Ord. No. 7702). Hanlon advised saying we have to put 25% in the general fund (from) the water (fund) or no money has to (come out) of the water (fund). He advised if we (take) money from the water fund they were going to have to raise everyone's rates to compensate for that (loss).

Lapehn inquired as to how much overage was in the water department right now that we could do something like the change in allocation.

Rissland advised she didn't bring that spreadsheet, but we talked about instituting a rate increase and she believed last year and until that point in time they had very little monies for capital improvements. She advised (the last) rate increase did help considerably. Rissland advised it (water fund) doesn't have a lot of extra money, but she didn't have an exact figure, but she could provide that and email it and it would be a snapshot as it doesn't take into account the planned projects that maybe weren't encumbered yet. She advised the sewer was better than water, which was why they increased the water rate (Jan 2011).

Lapehn inquired as to how quickly they would have to raise rates in the water to make up for (the 25% going from water to the general fund).

Rissland advised she would think fairly quickly they would have to come up with something. She advised if they took the whole \$345,000 out of there (water fund) and if they did some sort of step down they would have to look at it. Rissland advised they could do different levels and if they only put \$200,000 in (the general fund from the water) "this" was what it would make the rate increase and "this" is how long they could survive. She advised it was dependent upon other factors like fuel increases impacts the financial overall because it pushes up the cost of chemicals. Rissland advised they needed to look at retirements because they'll need to pay out accumulated benefits, which will impact the water and sewer fund.

Lapehn advised then we could hire cheaper (younger) workers and our life insurance rates would go down.

Rissland advised true those things would help, but they would have that cash outflow and she would like to do a little more analysis on that (issue) and get back to (Council) and email the information before the next meeting so they could look at it.

Lapehn inquired if it would be a year or more that they would balance the \$335,000 between the two needs of the general and the water (funds).

Rissland advised she would have to look at it a little bit more.

Boggs advised he would guess a year would be correct.

Rissland advised it would depend on what they would prefer as they might have to defer some capital projects. She advised we would have to talk to Cary (Metcalf, Utilities Director) and see which (projects) were the most critical and how long they could defer them. Rissland advised that was always a fall back. She advised she felt it was an issue they don't want to get into because when they defer a capital item it costs that much more to fix.

Russell advised he felt they needed to get back to the order of the day. He advised he believed they were talking about this ordinance 7702 on the income tax or he inquired if we were talking about putting it on the ballot.

Robertson advised he believed it was an intertwined discussion. He advised they were talking about the income tax, but they were deciding which route. Robertson advised if we are going to go down the route of putting the change to the water fund allocation on the ballot and inquired if they then wanted to wait on 7702 until after the results of the election.

Russell advised he felt they should do the order of the day and act on the city income tax. He advised then we could talk about the water over the next few months. Russell advised he felt this was important for tonight.

Robertson inquired if they were to put the (change in) water allocation on the ballot and it did not pass would they still be able to look at 7702 again toward the end of the year.

It was noted the current ordinance could not be tabled for that length of time.

Bower advised they could bring it back (the same issue at a later date with a new ordinance).

Johnson advised if they weren't going to put this on the ballot then he felt they ought to "can" this and go to the other one.

Carey advised if they move the allocation from the water into the general fund and (subsequently) have to increase water rates in order to keep the water fund stable then they would have to increase the water rates for everyone in the city even those who live and work in the city that were already paying their 1.5% to Rittman.

Rissland advised the businesses and the consumers and the residents, anyone who consumes water, would pay for the increase based upon how much they consume.

Beaumont moved to adopt, upon roll call; Russell-No, Beaumont-Yes, Carey-Yes, Johnson Yes, Lapehn-Yes, Hanlon-Yes and **motion carried**.

c. Res. No. 7707 A Resolution of the Council of the City of Rittman, Wayne and Medina Counties and State of Ohio, Declaring it Necessary to Improve Strawberry Hill, Cutters Landing, Windswept, Pebble Cove, Driftwood, Jasmin, Hawk Ridge, Windsor Mews and Wilers Grove by Planing and Milling the Existing Surface and Installing a New Asphalt Surface, All Together with the Necessary Appurtenances Thereto and Declaring an Emergency. Third Reading. Res. No. 7707 was read on third reading. Carey moved to adopt, upon roll call; Carey-Yes, Hanlon-Yes, Russell-No, Johnson-Yes, Lapehn-Yes, Beaumont-Yes and **motion carried**.

New Business

a. Res. No. 7713 A Resolution of the Council of the City of Rittman, Wayne and Medina Counties and State of Ohio, Authorizing the Municipal Manager to Provide Water Service to the Apostolic Christian Home. Three Readings. Res. No. 7713 was read on first reading.

Boggs advised during negotiations the Apostolic Christian Home asked for a couple amendments to the contract. He advised they weren't major amendments, but he wanted to present it to Council. Boggs advised in section 5 (A) of the contract under "termination" after the word **default** they were going to add the words "*Provided that the City of Rittman shall notify the Home in writing of an event of default and the Home shall have 30 days after receipt of such notice to affect a cure.*" He advised in section 5 (B) "termination" after the word **default** add the words "*provided that the Home shall notify the City of Rittman in writing of an event of default and the City of Rittman shall have 30 days after receipt of such notice to affect a cure.*" Boggs advised throughout the contract it states **Apostolic Nursing Home** and it should read **Apostolic Christian Home, Inc.** and he was requesting Council make those amendments. He advised Curt Walter, Administrator of the Home as well as some of their board members were present if Council had any questions.

Russell inquired as to how large of a waterline was being installed.

He was advised it was going to be an 8" line.

Russell inquired as to what size was the sewer line.

He was advised they believed it was a 4" line.

Russell inquired as to why were they putting an 8" waterline in when they didn't want to put an 8" sewer line in. He inquired as to the (reasoning behind) that (difference in line size).

Boggs advised the pressure going that distance would require a suppression system for that size line. He advised he actually wanted a 6" line and after meeting with the engineers it was

determined that to get adequate pressure (along that line) an 8" line was recommended. Boggs advised that was also good for the (abutting) property owners (along that line).

Russell advised so there wouldn't be a problem with other (property owners) along the line wanting to tap-in.

Boggs advised not at all.

The amendments were read aloud again.

Beaumont inquired if they needed the three readings that night and when was construction planned to start.

Boggs advised they were hoping to start as soon as possible and he was requesting the readings tonight.

Hanlon inquired if there would be any water shut-off (valves) between here and the nursing home or fire hydrants (installed).

Carey inquired if he meant in case of a leak.

Hanlon advised (the city) would be to maintaining the line.

Boggs advised yes, the same as any water line.

Hanlon inquired if engineering was installing fire hydrants or would that be on (the city) to do later.

Boggs advised he believed they were installing several fire hydrants. He advised this (project) was engineered by an engineer that we (city) have used for our other water lines. Boggs advised they (city) had another engineer look over (the plans) before we approved it and also EPA approved it.

Russell inquired if the Fire Chief approved it or if Sterling Fire Dept. (present).

Boggs advised a representative (from the Rittman Fire Dept.) was present.

Russell advised the tap-in fee states they were going to give \$6,550.00 and then in section j there was a \$1500 and the upkeep of the line in addition to the regular tap-in fee, but then (later in the contract) he inquired why we (city) were turning the \$1500 back to the Home.

Robertson advised we are charging our tap-in and then an additional \$1500 tap-in that would go back to the nursing home.

Russell advised initially, but the way he reads it if there were additional homes (tap-in) they (city) won't be getting anything out of it.

Boggs advised they are charging the normal outside city limits tap-in fee, which is \$1500. He advised the Apostolic Home requested there be an additional \$1500 fee be charged (to others who tap into this line) that would be returned to (the Home as reimbursement) because they paid for the installation of the line and the materials. Boggs advised it was similar to the northwest tap fee.

Hanlon inquired if there was any time limit on that. He advised he believed they have an ordinance stating if the developer wants to develop an area and someone buys a lot and it is built upon within ten years the developer can recoup the cost to that parcel for the improvements to that lot. Hanlon advised he could understand that, but in no case has he seen where the developer can recoup the cost indefinitely. He advised he felt they should limit it to three to five years.

Beaumont inquired as to why.

Hanlon advised the city would have 100% ownership of the line and he felt they should limit it to three to five. He advised he would give the same reason that developments were limited in time to recoup their cost. Hanlon advised if someone taps into this line 50 years from now there may be a replacement tap and have to pay \$1500 more.

Johnson advised it wouldn't be a replacement tap, it would be new. He advised if you tap in a second time when you replace it you wouldn't pay another tap-in fee. Johnson advised he would think (the Home) would be entitled to recoup their cost whether it was five years from now or ten or fifteen.

Boggs advised regarding the northwest water/sewer line was an additional charge and it didn't have a time limit.

Hanlon inquired as to who put that (northwest) line in.

Boggs advised the city paid for it, but he didn't know who put it in.

Hanlon advised the city paid for it and the city was not paying for this.

Carey moved to amend to include the language as read by the City Manager and repeated by the clerk, all Yeas on roll call and **motion carried**. Lapehn moved to suspend the rules and have second and third reading, all Yeas on roll call and **motion carried**. Res. No. 7713 was read on second and third reading. Carey moved to adopt, upon roll call; Johnson-Yes, Russell-Abstain, Lapehn-Yes, Beaumont-Yes, Hanlon-Yes, Carey-Yes and **motion carried**.

b. Res. No. 7714 A Resolution of the Council of the City of Rittman, Wayne and Medina Counties, Ohio, Authorizing the Municipal Manager to File an Application with the Ohio Attorney General's Office, through the Wayne County Commissioners to Participate in the Moving Ohio Forward Grant Program. Three Readings. Res. No. 7714 was read on first reading. Russell moved to suspend rules and have second and third reading, all Yeas on roll call and **motion carried**. Res. No. 7714 was read on second and third reading. Russell moved to adopt, all Yeas on roll call and **motion carried**.

c. Ord. No. 7715 An Ordinance of the Council of the City of Rittman, Wayne and Medina Counties, Ohio, Authorizing the Municipal Manager to Accept the Lowest and Best Bid

of Mid-Ohio Concrete of Holmesville, Ohio for the Sidewalk Improvement Project and Declaring an Emergency. Three Readings. Ord. No. 7715 was read on first reading. Russell moved to suspend the rules and have second and third reading, all Yeas on roll call and **motion carried.** Ord. No. 7715 was read on second and third reading. Russell moved to adopt, all Yeas on roll call and **motion carried.**

d. **Motion to Prepare Legislation to Place the Full 25% Allocation of Income Tax Collections from the Water Fund to the General Fund on the November 2012 Ballot** Hanlon so moved, all Yeas on roll call and **motion carried.**

e. **Motion to Prepare Legislation to Place a Referendum Issue on the Ballot Regarding the Income Tax** Russell advised he would like to make a motion that we put the city income taxes on the ballot. Robertson inquired if he was asking for ballot language be prepared that would lower the tax credit for Rittman residents who work out of town. Russell advised he would like to keep it as is. Hanlon advised it was already as is. Russell advised he knew, but inquired if we didn't vote to increase it. Robertson advised we voted to lower the tax credit. Robertson inquired if he would like a referendum issue put on the ballot by this Council. Russell advised he felt that would be proper. Russell so moved, upon roll call; Lapehn-No, Johnson-Yes, Beaumont-No, Carey-No, Russell-Yes, Hanlon-Yes **3-3 Tie**, Mayor Robertson-No and **motion failed.**

f. **Motion to Advertise for Sealed Bids to Sell the Old Sewer Jet**
Carey so moved, all Yeas on roll call and **motion carried.**

City Manager's Remarks

City Manager Boggs advised for approximately the fifth year in a row during the Sleepwalker Festival this year on Saturday, July 28th the city will be offering free document shredding. He advised the shredder will be behind City Hall in the parking lot from 9 am to noon.

Robertson inquired if there was a limit to the number of documents residents could have shredded.

Boggs advised they were going to try to accommodate people, but if organizations such as the schools were going to have large amounts they should let us know so arrangements could be made. He advised this has become an annual event for the city to purge their records according to the record retention laws and they have opened it up to the public since it was fairly inexpensive.

Boggs advised we just took possession of our new sewer jet finally after a long wait. He advised he would like permission from Council to sell the old sewer jet with by advertising for sealed bids. (see motion under "new business" letter "f" - above)

Boggs advised the Utilities Director came up with a good idea for accepting outside the city septic and they were looking into it and if successful they were anticipating approximately \$250,000 a year once our initial investment was paid. He advised they have a rough guess of some preliminary engineering and it was anticipated that the equipment costs would be around \$225,000 to \$330,000. Boggs advised he has asked the engineer to prepare an official quote to be presented to Council and he hoped to have it for the next Council Meeting for approval. He indicated if this new service would be successful they could pay off the sewer debt quicker and be in a better position to lower utilities bills significantly.

Boggs advised after attending the Brownfield conference he was looking at renegotiating the contract with Caraustar in the city treating their water from the sludge ponds. He advised it was basically rain water that flows out of the lagoons. Boggs advised his idea is to take those funds and put them into an environmental fund to help pay future expenditures for environmental attorneys and the like regarding the Caraustar property. He advised the Finance Director doesn't agree with him, but they will do a little more legal research.

Finance Director's Remarks

Finance Director Rissland had no remarks.

a. **Approval of Financial Report for May**
Johnson so moved, all Yeas on roll call and **motion carried.**

Council Remarks

Council Member Glen Russell advised he appreciated everybody for being here and he thanked them for coming tonight. He inquired of the City Manager regarding the Industrial Street ballpark if there was a way to grade one of those roads that go to the back ball fields as there were a lot of chuck holes. He suggested they grade it or put some cinders down or something to fill it. Russell advised he received some calls and he went down there today and it is pretty rough. He advised he would appreciate them taking care of that (issue). Russell advised by the cemetery at the "Indian Reservation" (Hills and Dales Allotment) regarding the lots that were mowed they did an excellent job. He advised whoever did it (the mowing) did a good job and he thanked them.

Boggs advised the city did that (mowed those lots).

Council Member Steve Johnson thanked everyone for coming.

Council Member Darrell Carey thanked everyone for coming. He advised in addition to the other requests from the lady at South Fork he believed she also requested street signs. Carey inquired if that had been looked into at all.

Boggs advised he talked to Dave (Simpson, Service Director) about it, but he couldn't honestly say whether they (street signs) were ordered or not, but he did mention it.

Russell advised he went by Strawberry Hill and looked and there is a street sign.

Carey advised he wasn't sure which one she was talking about.

Council Member Richard Lapehn advised the email attachment for the financial report was working out real well and it was 35-40 pages (a month) and was saving the city paper/copying costs. He advised that was a great way to do it and he thanked the finance director.

Council Member Lynn Beaumont advised he believes what Council has done with allowing the sewer line to the Apostolic Home as well as what was passed tonight (with the water line) were some really good projects that will benefit the city in years to come a long time after all of us (current Council/administration) are gone. He advised he believed those were the kind of projects that will allow the city to grow. Beaumont advised we may never see those result, but he really believes it was something that was good for the city. He advised he would like to commend Larry (City Manager) and Kevin (Law Director) for a good job negotiating and he felt it was a really fair contract.

Council Member Rick Hanlon advised he was glad the water line was going in and he liked the idea of the 8" line as well and that it will have the EPA "stamp" on it. He inquired if we (Rittman) were in the running for a Safe Route to Schools Grant.

Boggs advised we have been awarded the Safe Route to Schools Grant. He advised he is very pleased as this is the first time we've applied.

Hanlon inquired if we would be getting some sidewalks covered by a grant.

Boggs advised some of them and he hoped it would be an ongoing process and not just this grant, but there were other grants that could be made available.

William Robertson congratulated the Lion's Club as they had a big week coming up. He advised Saturday, June 16th the Lion's Club was hosting the Ohio Blind Golfer's Association in a Wounded Warrior's recognition program at the square in Wadsworth at 3:30 p.m. Robertson advised it was to kick-off the blind golf tournament this week and the Lion's Club brings that to Rittman at Rawiga Golf Course and it was called the McCullough Cup. He advised it was an international affair as there were people coming from all over to play golf. Robertson suggested people get a chance to come out and it was quite impressive and inspirational to watch. He advised this group of people play better than he ever hopes to play golf and the players would be thrilled to have people there to cheer them on and show their support. Robertson advised he appreciates the work the Lion's Club has done to bring the event to Rittman. He advised on June 30th a 5k run/walk was going to be held at the Rails to Trails and would start at the trail head by the Depot Restaurant. Robertson advised he believed it was \$25 to enter the race and everyone who enters gets a tee shirt.

Approval of Vouchers 57094 thru 57206 and Memo Expense #'s 120501-120514 w/Then and Now Certificates Carey so moved, all Yeas on roll call and **motion carried.**

Adjourn: 8:23 p.m.

Russell moved to adjourn, all Yeas on roll call and **motion carried.**

Mayor

Clerk of Council