

**Rittman City Council Met in a  
REGULAR MEETING  
Monday, April 11, 2016  
7:00pm**

**Members Present:** Ken Park, Darrell Carey, Dave Williams, Steve Johnson, Rick Hanlon and Brian Smith  
**Members Absent:** Mayor William Robertson  
**Presiding:** Acting Mayor Darrell Carey

The invocation was given by Bud Olszewski, Pastor followed by the pledge of allegiance.

**Approval of Minutes – March 28, 2016**

Hanlon moved to approve, all Yeas on roll call and **motion carried.**

**Workshop**

**a. Discussion of Refunding Options for the USDA Loan**

Finance Director Pam Keener advised she added some new worksheets at their desk that came in from Key Bank late on Friday. She advised she would like to go over the initial information with them that was in their packet. Keener advised in doing additional research she found out that another municipal bond advisor would be comparable Baird's at around \$10k. She advised she subsequently contacted our attorney at Squires who gave her a few names of individuals who do direct placements for financial institutions and she then contacted Key and Huntington (banks). Keener advised attached to the memo was Huntington's 10-yr and 5-yr options and the next page shows our current debt schedule with the USDA and where we were at as of December 31, 2015. She advised on the last page she broke down the various options. Keener advised Option 1 (yellow box) was if we stayed with the USDA and paid \$200k annually until that debt was paid off. She advised using that scenario we would save \$312,973.13. Keener advised Option 2 (red boxes) was with Huntington with a 5-yr option at 2.07% and they could see with the amortization schedule what the principle and interest would look like annually. She advised it all shows what they would be paying in interest and the current scheduled interest with the USDA for a total savings of \$384,318.97. Keener advised below that is shown what we would save if we refinanced with Huntington at 2.07% versus staying with the USDA at 5.125%, which would save \$71,345.85. She advised she did the same options with the 10 year analysis to the right of that with the blue boxes.

Council Member Rick Hanlon asked Keener to explain the bottom red box again.

Keener advised with the USDA we are going to pay \$102,986.88 in interest, but if we refinance at a lower rate we will Huntington \$31,641.03 in interest saving \$71,345.85. She advised the \$71,345.85 was part of the \$384,318.97 and she just wanted to show what the difference would be with staying with the USDA and going with Huntington.

Council Member Darrell Carey advised he was confused about the interest savings in the second red box and the difference in the third red box.

Keener advised the \$71k is part of the \$384k. She advised she just broke it out so they could see.

Carey advised it says \$415,960.00 in the second red box.

Keener agreed and advised that is if we don't do any changes.

Carey advised it was if we just make our scheduled payments w/out the additional \$200k (additional principal payment).

Keener advised that is correct. She advised so our overall savings would be \$384,318.97 (if we refund at a lower interest rate w/Huntington for 5 years).

Hanlon advised he doesn't understand the top red box Option 2 and he inquired if the left column was the amount of payment we would make.

Keener advised no that is the principal.

Hanlon advised so the payment would be in the right hand column.

Keener agreed and advised the payment was the principal and interest.

Hanlon advised the interest was indicated in the middle column. He advised w/out a calculator he didn't see how if the payment is \$122k that the interest was \$6k and if you add another \$6k payment that we would have \$10k in interest. Hanlon advised he didn't feel that made sense logically.

Keener asked him to clarify.

Hanlon advised (Option 2 top red box) look at the difference between 2017 total payments (128,058.14) and the 2018 total payments (\$127,131.54) as there was only \$1k difference, but yet in 2017 they were claiming that \$10k was interest and \$7k in 2018 was interest.

Keener advised these figures came from Huntington Bank. She advised if he goes back to the page where the 5 year option was broken out it may explain it a little more.

Hanlon advised in 2016 we are only paying for half a year for the \$6k amount. He advised one thing he felt they (Huntington) failed to recognize was in addition to these formulas we already owe USDA \$20k in interest if you look at the interest from when the last payment was made in September or October.

Keener advised October.

Hanlon advised there is an additional \$20k we already owe.

Keener advised this is looking at just the \$601,900 and it was not looking at the fact we still owe interest for this year.

Hanlon agreed and advised but it is included in Option 1.

Keener advised that is correct.

Hanlon advised if we start in June we'll have \$30k in interest.

Keener advised she also received quotes from Key Bank. She advised they have a 5 year option at 2.01% and a 10 year option at 2.25%. Keener advised she did a comparison of Key Bank to Huntington Bank and they could see those scheduled out as far as principal and interest payments. She advised and an analysis of interest savings realized if we refinanced between the USDA, Huntington and Key. Keener advised below that she shows a difference between Huntington's interest rate and Key's interest rate. She advised the same analysis was done for a 10 year term between those two (banks).

Hanlon advised in addition to the Huntington or Key Bank there would also be the bond counsel fee of approximately \$10k.

Keener advised it would be between \$8,750 and \$10k. She advised neither bank is going to charge a bank fee.

Hanlon inquired as to her recommendation.

Keener advised she had one more option that (Hanlon) asked about, which was short term notes. She advised the short term notes they would be rolling them over annually and in this option we would have \$100k paid only when those notes are due and rolled over. Keener advised the total interest for this option over a period of 5 years would be \$32,726. She advised the unfortunate thing about the short term notes that she sees is this is based on current rates at 1.55%, which is a great rate, but we can't project down the road as to what the interest rates would be in year three and four. Keener advised additionally with the short term notes annually when you roll those notes over there would be bond counsel fees associated with those services. She advised those fees are estimated between \$7,750-\$8,750 so over the life of the note we would be paying \$80k-\$85k in interest and bond counsel fees.

Council Member Steve Johnson advised he felt Key Bank had the best option on rates. He inquired if that was what she (Keener) was telling them.

Keener advised she felt on the 10 year that Key would be the best, but on the 5 year Huntington would be the best. She advised it was dependent on what Council wants to do as far as how much they want or were willing to pay on the principal.

Hanlon advised Key was even less savings than Huntington on the 10 year.

Keener advised the 10 yr. between the two (banks) the principal payments were relatively the same. She inquired were they willing to spend \$120k annually or would they feel more comfortable with doing \$56k-\$58k annually and then in year 5 pay the lump sum of \$369k.

Johnson advised he liked the 10 year option because he was concerned about our sewer fund balance. He advised it is healthy now, but it was set up the way it was because they wanted to have the money and the flexibility to do repairs and upgrades without having to go back and get another loan. Johnson advised we can get this money so inexpensively he felt it would be better with the unknowns at the industrial site and we want to save as much money on interest as we can. He advised we don't know what it will be yet, but we need to be prepared to pay for some infrastructure and some sewer plant upgrades if something comes along. Johnson advised he felt it was a lot better if our fund is healthy. He advised he felt if we could refinance for this rate we should as this is half of what we are paying now. Johnson advised he is not criticizing the old rate because at the time it was a good rate, but the market has changed. He indicated we have no way of knowing how long the low rates will last.

Hanlon inquired if either Huntington or Key Bank has an early payoff penalty.

Keener advised with Huntington we would have a 6 year call and after year 5 on Key.

Hanlon advised he was talking about for the 5 year option. He inquired if there was a prepayment penalty.

Keener advised she would have to check on that.

Hanlon advised one thing that concerns him about the Huntington option is in 2016 making an additional payment of \$122k, which we have budgeted about \$70k, which was approximately our annual budget for sewer debt. He advised we are starting midstream in the year and that is \$50k over what is budgeted. Hanlon advised he doesn't really like the Key option even though it is a lower interest rate, but the way they have it structured it looks like they don't want us to pay off of debt. He advised they want to get the most of their 2.01% interest with the way they have it structured. Hanlon inquired if we went with the Key option if we could in year 2017, 2018 or 2019 put additional principal on it hoping to bring down some of the debt.

Keener advised it was her understanding when Mike Burns was here from Baird that with municipal bonds that was typically not an option.

Council Member Brian Smith advised he believe it was Burns from Baird who told us that we have to set \$70k aside in an escrow account that we could use.

Keener advised absolutely.

Johnson advised if we do the 10 year option and we want to put an extra \$50k down we couldn't do that.

Keener advised no.

Council Member Brian Smith advised what he is understanding is we could do is the option with the 5 or 6 year call then we could set that money aside in escrow and then in year 5 or 6 we could allocate the money to use in year 5 or 6 and pay it off. He advised we have roughly \$70k (a year) just floating out there right now.

Hanlon advised we basically would be paying \$633k by year 2020 if we went with the 5 year option. He advised it didn't really sound like that was going to deplete our sewer fund.

Johnson advised he didn't think it was depleting, but he was worried about something coming along. He inquired as to our current balance (in the sewer fund).

Keener advised \$1.2 million.

Hanlon advised that is \$400k more than we need to pay of the (current) debt. He advised he believed the general rule is to have anywhere from 45-90 days over and above your expenses.

Keener advised he was right as GFOA recommends 2 months of operating expenses. She advised she personally would not feel comfortable with depleting the sewer fund down to \$220k.

Hanlon agreed and advised with this five year plan he felt we would be well over the \$220k by year 2020. He inquired if it would be approximately \$500k and advised that is twice what the GFOA recommends. Hanlon advised he felt that was not bad.

Johnson advised he would be concerned about problems we don't know about.

Carey advised there would be money going into it every year too.

Hanlon advised initially we were saying let's put \$200k on (additional principal payment) and look at it next year. He advised when Pam (Keener) projected out it was going to put us at about \$200k. Hanlon advised here we were looking at not putting that (additional) \$200k and the payments would be \$128k so there is another \$350k that is going to increase our fund. He advised our fund balance is at \$500k by the year 2020 and we are not hurting.

Council Member Ken Park advised he felt what Steve (Johnson) was saying that if we went with the 10 year option then in year 5 or 6 we would have the option of paying it off like (Hanlon) was trying to accomplish, but this gives us the flexibility to have the smaller payments if we need to.

Johnson indicated that way we weren't spending the money on loan payments, but on infrastructure if we need to. He advised it is a big unknown, but he didn't want to box us in. Johnson advised those who set the whole sewer (fund) up years ago were looking ahead and trying to (plan).

Hanlon advised he felt the debt was a lot larger because we had additional debt that just came off a couple of years ago. He advised that additional debt payment that just came off was approximately \$230k a year. Hanlon advised the way we are structured we aren't paying that debt payment any longer. He advised (what was once) that debt payment was just going to continue growing in an account, although it doesn't collect any interest, so he inquired why not put it on this (current) debt so we are debt free when we have to possibly expand that (wastewater) treatment plant. Hanlon advised we may have to expand that treatment plant within the next four years.

Johnson advised he didn't know what was going to happen down there, but he thinks there could be major expenses.

Hanlon advised he felt it would take several years to build the building (industrial park area).

Johnson disagreed and advised he felt once it was a go it would go quick. He advised Daisy came to Wooster it didn't take them a year. Johnson advised he is not looking 5 years down the road, but once they (a business) decide to locate here it happens pretty fast.

Hanlon advised he felt we have the same option that our previous Council had back when they incurred a second debt; we could get bonds for that debt.

Johnson advised he would much rather have the cash in hand. He advised that is just his personal way of conducting business.

Boggs inquired of Keener if when she prepared her analysis if she factored in the recent reduction in the sewer rates.

Keener advised that was not a part of this analysis. She advised they were just looking at debt payments. Keener advised when she originally did her 5 year forecast it was factored in.

Hanlon advised when the fund balance dropped to \$200k that cost (reduction) was included. He advised we have a lot of options and going with this option would give us \$550k in the year 2020 in the sewer fund. Hanlon advised we could go to a 10 year which would basically double it and keep a million dollars in our sewer fund. He advised it seemed kind of silly to quote no interest on money in the bank and be paying 2.25% on the loan and have 4 times the recommended amount in our account for a 'what if'.

Carey advised if we hadn't paid off this other debt before and we wouldn't have the extra \$235k...

Keener advised she was just looking that up and she doesn't believe it was \$230k.

Carey advised he was trying to figure that out.

Hanlon advised he was going back to 2011.

Keener advised she went back to 2012 and we didn't have that debt on there.

Hanlon advised so we stopped a couple years back and we didn't do anything with that because we just (built) the septage receiving station and that money went to pay off that septage receiving station.

Johnson advised that is one advantage to having a large balance in the account. He advised that (project) came along and we were able to do it and got it done and paid for and kept on moving. Johnson advised it gave us the opportunity to actually increase our money coming in.

Hanlon advised he felt in reality the income level would continue to grow.

Keener advised there was an OWDA loan that was paid off in 2013 and then that payoff principal and interest payment was \$136k.

Hanlon inquired as to what it was in 2011.

Keener advised \$272k.

Hanlon advised it was a very large payment every year. He advised the \$170k in 2012 was the balance of what was left owed. Hanlon advised every year we were paying a large amount of money out of the sewer fund.

Keener advised so that has obviously helped the fund.

Carey advised if we don't pay the extra \$200k the balance should continue to go up.

Keener advised she already included that in this projection. She advised our actual principal balance is \$801,900.

Carey advised we won't be paying that (additional \$200k) every year should we refinance this (loan) then the balance should go up and not down by \$200k.

Hanlon advised currently we have budgeted about \$70k to make this payment and we are going to be paying \$70k until the year 2032. He advised so for \$56k-\$57k more a year we are going to shorten the life of the loan by 10 years. Hanlon advised he didn't see how they could say no to that. He advised we aren't even doubling the payment. Hanlon advised we aren't talking \$200k payment, but \$56k, \$57k or \$58k to take ten years off the loan and save \$384k to the city. He advised it sounds like a good deal to him.

Johnson advised the difference between 5 and 10 years was only \$39k.

Hanlon agreed and advised that would probably pay for at least one part-timer mowing grass when the rain stops.

Carey advised we would also have the option of paying it off in year 6.

Johnson advised and it was \$8,000 a year difference.

Hanlon advised if we were to do an expansion at the wastewater treatment plant the \$1.2 million we currently have in that fund wasn't going to be used. He advised we would go out and get bonds anyway. Hanlon advised we were going to issue more debt because that \$1.2 million isn't going to cover it. He inquired if Ken (Mann, Utilities Director) had any idea as to what it would cost to increase the plant without specifically knowing what we are increasing.

Utilities Director Mann advised the only thing he knows of that we might need to increase was our sludge handling capabilities. He advised we were behind on that the day the plant was built. Mann advised with the septage hauling it has put a little more weight on it and to add a couple digesters and the pumps necessary it would be approximately \$1.5 million. He advised he is afraid we might need a project before that project that could be much smaller.

Hanlon advised it sounded as if it didn't matter so much of we have \$1.2 million in the fund or not that we would be issuing some debt.

Johnson advised he felt we should go one way or the other He advised he could see it either way, but personally he would do the 10 year because that is the way his mind works as he was always worried about having cash on hand. Johnson advised he felt either one was good for the city. He advised with the 10 year it gives us the option and doesn't cost as much (annually) as there is just a big unknown and he tends to be cautious with unknowns. Johnson advised maybe Rick (Hanlon) was right and it turns out that we need half million dollars and we would be getting bonds anyhow, he didn't know.

Hanlon advised he agreed that where we are at right now was about \$3600 per month in interest to the USDA.

Johnson advised whichever way we go we should do it as quick as we can because that is where we are going to save the money. He advised we are talking about \$8k a year for the last 5 years if we didn't pay it off. Johnson advised if we pay it off it would be a moot point anyhow. He advised he felt we were in a good position we could do whatever we want really. Johnson advised we ought to do one or the other and he would support either proposal.

Keener advised she would have the bond counsel draw up the legislation, but she needs to know which option.

Hanlon advised we could make a motion at the end of New Business.

### **Citizens Forum**

Ted Balog of Winkler Dr. advised he also owns a property on S. Hicken Ave. He advised he emailed the Council this past week about proposing changes to our current city ordinances to permit

residents to raise chickens for the purpose of egg collection. Balog advised right now there is a section in the code that prohibits fowl in residential areas (505.13). He advised also currently there are no residential zoning districts that permit chickens or fowl. Balog advised he would like to recommend something like (City of) Medina has in place where they allow residents to raise chickens. He advised Medina regulates the number of chickens per square foot of property owned and the coops have to be according to the building code and they can't just run free. Balog advised he emailed the Council Medina's code for their review. He advised he would appreciate it if Council would review the topic and consider (this request). Balog advised he knows there are several other community members who also would like to raise chickens. He advised he doesn't believe they would be a nuisance any more than a barking dog would be. Balog advised he appreciates Council's consideration.

Hanlon inquired if chickens fly.

Balog advised they can fly.

Hanlon inquired if they can fly over a fence.

Balog advised normally a coop in a chicken run would have a fence on top to prevent them from flying outside of the coop.

Hanlon advised so they couldn't just fence in their yard without putting a cover over it.

Balog advised that wouldn't be advised. He advised you can clip their wings, which inhibits their ability to gain the momentum needed to fly as they are a larger bird. Balog advised if their wings are clipped they could not get over a 6' privacy fence. He advised there is some discussion as to whether or not you should clip their wings. Balog advised most of the time a chicken run is fully enclosed including the top.

Council Member Dave Williams advised if this were to pass he inquired as to how many chickens he would anticipate having on his property.

Balog advised Medina currently allows 1 chicken per 800 sf of property. He advised he has 12,000 sf so, 15 chickens would be the maximum on Winkler. Balog advised he felt that was more than people would generally want to have. He advised state law mandates that you have to buy 6 chicks if you buy chicks so, he felt that needed to be taken into consideration. Balog advised you don't have to buy chicks. He advised he personally would plan on having 6.

Hanlon advised he believed the city's minimum lot size was 7500sf.

Clerk Brooks advised she believed that was correct for the R1, but she would have to double check.

Hanlon advised that would potentially be 9 chickens plus a piece of one, if we went with the 800sf (equation).

Balog advised Medina also has restrictions for having roosters as they are the main source of noise when it comes to chickens. He advised the hens are fairly quiet and keep to themselves and wouldn't be waking anyone at 5:30am. Balog advised he would recommend prohibiting roosters within the city limits as well.

Smith inquired if Balog has spoken to anyone in Medina regarding predatory animals being drawn to the chickens such as coyotes, foxes and so on and so forth.

Balog advised he personally hasn't checked into that although he is aware that is an issue that comes with the nature of raising chickens as there would be predators that would come in.

Smith advised he knows at the Medina Recreation Center there was a coyote sound to protect the geese. He advised he knows that is an issue within the City of Medina. Smith advised he would have to think about the other residents (of Rittman) as to how this was going to affect them and if it creates a risk from natural predators.

Balog advised natural predators can be coyotes, raccoons, skunks, fox and they were pretty common to have within a city. He advised they would try to address any concerns someone may have regarding predators.

Williams inquired if there were any public health factors with chickens such as bird flu or anything of that nature.

Balog advised no, not that he was aware of.

Kelly Collins of Liberty St. advised she was actually present for the same reason (as Mr. Balog). She advised she would like to add that she has friends in Medina who keep chickens and they live very near the square and they haven't had any coyote problems. Collins advised she believed stray cats have been an issue for their (Medina residents) chickens, but that comes with owning chickens in the city. She advised that is a risk that you inherently take and the reason it benefits to having a coop that is built to code and fully enclosed to help protect your animals. Collins thanked Council for their consideration in this matter.

Hanlon inquired if he heard correctly that when you buy chickens you have to buy at least 6.

Balog advised Ohio State law mandates that if you buy chicks then you have to buy at least six. He advised if you are buying pullets the law doesn't mandate any such requirement. Balog advised he believed regarding chicks it is to prohibit someone buying a chick for an Easter present or something like that.

Collins advised she felt it was better to buy older chickens or pullets, which will help to guarantee you won't get a rooster, which is a way to prevent the rooster problem as well. She advised obviously without the rooster you wouldn't have breeding creating an influx of chickens, which will help contain them for the people who choose to raise chickens.

Hanlon inquired as to how long from the time you buy a chick until they would be laying eggs. Collins advised 20 weeks.

Balog advised when they are that young you are raising them in your garage or basement because they aren't large enough to be in a coop outside. He advised once they hit teenage they can start to be in a coop.

Park advised he researched this topic for surrounding areas. He advised for Orrville he couldn't find anything other than the state's regulation to keep them enclosed in a coop and that kind of stuff. Park advised Wadsworth was 5 acres or more. He advised in Brunswick originally stated you had to have 1.5 acres and a lot of people complained so they decided to use their noise and nuisance rules to enforce it.

Hanlon inquired if Brunswick allows chickens.

Park advised they do allow them. He advised they changed their mind and decided to allow them and just use the noise and nuisance rules.

Hanlon inquired for any lot size.

Park advised yes.

Balog advised chicken manure makes great compost or fertilizer for your own yard. He advised he would encourage anyone raising chickens and growing their own vegetables to use the chicken manure.

Williams inquired if he (Balog) has talked to any of his neighbors about this to see how they feel about it.

Balog advised he has not.

Collins advised she has spoken with her neighbors and they are very supportive of it and a few of them are interested in the end outcome to see if it will become available to them. She advised none of her immediate neighbors in the area, including the new owner of Wilde Insurance have voiced any concerns about it to her.

Hanlon advised Dollar General sells eggs for \$.89/dozen.

Balog advised some municipalities regulate how close you can be to other houses. He advised using his (Winkler) lot he would be 80'- 90' away from his neighbor's house, which is quite a distance. Balog advised some (cities) state 50', which is not much at all. He advised if you use his (property) he has on S. Hickin if he places the coop in his back yard there were places where it would still be 80' or so from a neighboring residence.

Johnson advised one of the issues was that most of these communities that allow chickens have fairly aggressive property maintenance officers. He advised they have entire departments where that is their job and we don't. Johnson advised we already get a lot of guff because we can't enforce the simplest of things such as trash. He advised he felt we might get some feedback on that.

No further comments.

## **Old Business**

a. **Res. No. 7932 A Resolution of the Council of the City of Rittman, Wayne and Medina Counties and State of Ohio, Authorizing the Municipal Manager to Enter into a Lease Agreement for Municipal Property. Third Reading.** Res. No. 7932 was read on third reading. Johnson moved to adopt, all Yeas on roll call and **motion carried**.

b. **Motion to Remove Ord. No. 7937 from the Table**

No motion was made and Ord. No. 7937 DIED on the Table.

c. **Ord. No. 7937 An Ordinance of the Council of the City of Rittman, Wayne and Medina Counties and State of Ohio, Amending Section 1305.03 (b) of the Codified Ordinances, Ohio Building Code. DIED on the Table.**

## **New Business**

a. **Ord. No. 7941 An Ordinance of the Council of the City of Rittman, Wayne and Medina Counties and State of Ohio, Amending the Annual Appropriation Ordinance No. 7908, As Amended, According to the Attached Sheet(s) and Declaring an Emergency. Three Readings.** Ord. No. 7941 was read on first reading. Hanlon moved to suspend the rules and have second and third reading, all Yeas on roll call and **motion carried**. Ord. No. 7941 was read on second and third reading. Hanlon moved to adopt, all Yeas on roll call and **motion carried**.

b. **Motion to Approve a 50% Reduction in Quarterly Membership Rates for the Month of May 2016 at the Rittman Recreation Center as Recommended by its Board of Directors**

Smith inquired if we did this (same sale) in December.

Johnson advised we did.

Smith inquired if he knew what happened.

Johnson advised he believed it was very successful.

Smith inquired as to who the target audience. He inquired if it was new members.

Johnson advised he believed they try to get new members and it was very successful in December and this is a slower time of year when people are outside more.

Smith inquired regarding membership if it was tracked as to the increase of new members.

Keener indicated as far as actual membership type she didn't have that information. She advised she has the financial information for that month.

Smith advised she couldn't tell him if it was new members or recurring memberships.

Keener advised it was supposed to be just new members. She advised she can't tell when the revenue comes in whether it is new membership or not.

Smith inquired if she knew if they track that data.

Johnson advised Garrick (DiSalvo, Recreation Director) provided stats on what was sold in December and he felt it was pretty good and better than previous December's.

Smith advised the financial status of the recreation center concerns him so getting half off for everybody in general he felt that should not happen. He advised for those people who have never come to the center before he had no problem with that, but for existing members he saw no sense in it if everybody is a free for all.

Johnson advised he believed they were targeting new people, but he didn't have the numbers.

Smith agreed getting people in there in the summer was difficult. He advised a lot of people just stop going.

Hanlon advised it says the month of May, but quarterly would be May, June & July.

Johnson advised that was typically a down time as the center was usually pretty dead in the summer. He advised it was just something they (rec board) thought we would try.

Carey advised they would sell the quarterly membership (at the discount) in May and only in May. He indicated if you buy it in June it would be the regular price.

Johnson agreed and advised that was the intent.

Hanlon advised so anyone who would buy it in May would be able to get in for 3 months.

Johnson advised yes.

Smith advised for only new members. He advised he doesn't let his membership lapse just because he knows there is a discount.

Hanlon advised he guesses they would need to define new member because if you pay annually you can't go in and say you want a discount.

Smith inquired if those who purchased the quarterly at the December sale also turn around and get the discount in May. He advised they shouldn't be able to do that.

Williams advised that is what he was thinking about doing – absolutely.

Smith advised that bothers him because he pays a regular membership so it is not fair. He advised again, the issue the rec center is already in debt. Smith advised why shoot ourselves in the foot. He advised if we are going to dig a hole there was no sense in giving them a ladder to dig it deeper. Smith advised he would want to look at numbers to be honest. He advised he knows this isn't a huge deal, but he would want to take a look at what they quantify as successful.

Johnson suggested we let Garrick come and talk to us.

Smith confirmed with Keener that she has the financial records, but did not have membership information.

Keener advised correct.

Johnson advised Garrick should have the membership information.

Carey advised we can have that brought back next meeting.

**Johnson who moved to adopt withdrew his motion.**

**No action was taken on this agenda item.**

Hanlon inquired if we needed to table this item and vote on tabling it.

Johnson advised he withdrew his motion so there is no motion there at all. He advised we don't need to do anything.

Hanlon advised he knows Brian (Smith) asked about tabling it.

Law Director Bower advised they can ignore it or they can vote to table it.

**c. Res. No. 7942 A Resolution of the Council of the City of Rittman, Wayne and Medina Counties and State of Ohio, Certifying that When a Municipal Obligation was Incurred Sums were Lawfully Appropriated in the Funds to Satisfy this Obligation According to the Attached Sheet(s) and Declaring an Emergency. Three Readings.** Res. No. 7942 was read on first reading. Johnson moved to suspend the rules and have second and third reading, all Yeas on roll call and **motion carried.** Res. No. 7942 was read on second and third reading. Johnson moved to adopt, all Yeas on roll call and **motion carried.**

**d. Res. No. 7943 A Resolution of the Council of the City of Rittman, Wayne and Medina Counties and State of Ohio, Authorizing the Finance Director to Make Advances and/or Transfers To or From Appropriate Accounts. Three Readings.** Res. No. 7943 was read on first reading. Hanlon moved to suspend the rules and have second and third reading, all Yeas on roll call and **motion carried.** Res. No. 7943 was read on second and third reading. Hanlon moved to adopt, all Yeas on roll call and **motion carried.**

**e. Motion to Approve the Finance Director to Authorize the Bond Counsel to Prepare Legislation for a 5 Year Refunding of the USDA Loan with Huntington National Bank.**

Hanlon inquired as to the finance director's recommendation as he didn't remember from asking it previously.

Keener advised with the 5 year option she would choose Huntington, but with the 10 year option she would choose Key Bank.

Carey advised he would also like to find out if there is any type of prepayment option.

Keener advised she didn't believe so. She advised after speaking with Mike Burns (Baird Financial) that you can't.

Hanlon advised he was okay with letting it go for the full term of 5 years at 2.07%, which is 1.5 times less than where we are currently.

Carey inquired if we need to have legislation brought back for that.

Keener advised the bond counsel would prepare the bond legislation.

Hanlon inquired if we could get it done by the next meeting.

Keener advised most likely.

Williams advised he believes what he heard Steve (Johnson) saying was that he wanted a little bit more leniency with the 10 year option and pay it off in year 6 if we could. He inquired if we should have 2 motions in case Rick's (motion) fails and the other one carries.

Bower advised you are only allowed one motion at a time. He advised you have to vote it up or down or table it.

Carey inquired if we should have the bond counsel draw up both options.

Keener advised that would cost us more money.

Williams advised he was leaning toward Steve's opinion as he would rather have a more conservative approach and cash in hand.

Hanlon advised unfortunately we don't have the documentation of our fund balance in the year 2020.

Keener advised she did not run the numbers based on current figures.

Hanlon inquired if she had in the computer what our fund balance will be in 2020 with just the \$70k.

Park advised the one was marked with a 6 year call option and the other wasn't marked at all.

Keener advised that was in the documentation in their handouts.

Johnson advised it looked to him if we did the 10 year and paid it off in the 6<sup>th</sup> year that the costs would be almost identical. He advised that would give us more flexibility and we wouldn't pay those last five years of interest.

Smith inquired if we could put that escrow \$70k in a CD or such to grow our money.

Hanlon advised she (Keener) knows where our money is at it wasn't just sitting in an account. He inquired as to what we end up with.

Keener advised \$2.5 million

Hanlon inquired if that is with the \$70k and including the adjustment from the water.

Keener advised yes.

Hanlon advised we are only talking about an additional \$270k at the most. He advised the \$350k we have already accounted for with the \$633k and he inquired as to the difference.

Keener inquired as to his question.

Hanlon advised the total payments on the 5 year option was \$633k.

Keener advised correct.

Hanlon advised out of that (amount) roughly \$70k each year is already budgeted so, that is \$350k. He advised and the difference is approximately \$280k. Hanlon advised if we take the \$2.5 million in 2020 and subtract that \$250k he didn't think we were hurting.

Carey advised that is why he kept wondering how we were getting down to \$270k when we add those payments in that we are no longer making. He advised it should be accumulating over the years.

Hanlon advised with that information he felt it was a 'no-brainer' and we should go with the 5 year option. He advised we still have \$2.5 million in our account in 2020. Hanlon advised it is a no-brainer.

Carey advised if the debt number makes up the difference that is the way he would vote.

Hanlon advised the debt payment would only be \$128k per year. He advised our sewer fund is still growing. Hanlon advised we are not depleting our sewer fund, but we are allowing it to grow. He advised we have to be. Hanlon advised we are at \$1.2 million now and in 4 years we are at \$2.5 million. He advised we are still growing our sewer fund. Hanlon advised we are not hurting anything by paying it off in 5 years.

Hanlon moved to approve, all Yes on roll call and **motion carried.**

**City Manager's Remarks**

City Manager Boggs inquired if Council wanted him to do some research on chickens.

Hanlon advised we can talk about it in a workshop. He advised we had a workshop regarding dirt bikes and he didn't know where we were at with that either.

Boggs advised he gave Kevin some ordinances from other cities to prepare something regarding the dirt bike issue and he (Bower) would be putting the legislation together.

Hanlon advised we had residents come to the meeting to talk about our ordinances and we should at least have a workshop.

Park inquired if there was a relatively easy way to check other areas and see how many complaints there are regarding chickens.

Boggs advised he can call some cities that he knows allow them (chickens).

Hanlon inquired if chicken coops have padlocks on them.

Balog advised some kind of a lock to prevent a raccoon from getting in.

Hanlon advised but, nothing for people that might want (to steal a chicken).

Balog advised he could put a lock on it if he was concerned about theft.

### **Finance Director's Remarks**

Finance Director Keener had no remarks.

- a. **Approval of Financial Report for March**  
Johnson moved to approve, all Yeas on roll call and **motion carried.**

### **Council Remarks**

Council Member Ken Park had no remarks.

Council Member Dave Williams thanked everyone for coming.

Council Member Rick Hanlon thanked his colleagues for voting for the 5 year option and for all the discussion on the refunding option. He advised he felt they did the right thing. Hanlon thanked Ted and Kelly for coming and talking to them about chickens and educating him a little bit.

Council Member Brian Smith thanked everyone for coming. He appreciated their time.

Council Member Steve Johnson thanked everyone for coming. He advised the City Manager would investigate more regarding chickens and have a workshop at the next meeting. Johnson advised we'll see if we get any feedback from anyone else.

Acting Mayor Darrell Carey had no remarks.

- a. **Approval of Voucher #'s 4495 thru 4529 and Memo Expense #'s M31612 thru M31617**  
Hanlon moved to approve, all Yeas on roll call and **motion carried.**

### **Adjourn: 8:10 pm**

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

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**Mayor**

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**Clerk of Council**