

Council met in a **REGULAR MEETING**. The Council President called the meeting to order; the Clerk of Council offered the opening prayer and the Pledge of Allegiance was cited.

SUNSHINE LAW: The Clerk of Council certified conformity to the Sunshine Law.

Members Present: Mr. James M. Trisket (Ward 5), Mr. Joseph L. Rose (Ward 1)
Mr. August A. Pugliese (Ward 2), Mrs. Ann I. Stranman (Ward 3)
Ms. Betty S. Kist (Vice President), Mr. Charles P. Brockway (Council President)

Member(s) Absent: Mrs. Julie A. Lattimer (Ward 4)

Officer(s) Present: City Manager Anthony J. Cantagallo, City Solicitor Michael Franklin
City Auditor Michael A. Zullo, Clerk of Council LaVette E. Hennigan

Officer(s) Absent: (NONE)

Excused Absence: Ms. Kist moved, Mr. Trisket seconded, to excuse the Ward 4 Councilor from this meeting; motion CARRIED.

READING AND DISPOSAL OF MEETING MINUTES

The minutes of the May 3 Regular Meeting were presented. Ms. Kist moved, Mr. Trisket seconded, that the reading of the minutes be waived; motion CARRIED. There being no corrections, the minutes were approved as presented.

The minutes of the May 10 Special Meeting were presented. Ms. Kist moved, Mr. Pugliese seconded, that the reading of the minutes be waived; motion CARRIED. There being no corrections, the minutes were approved as presented.

The minutes of the May 10 Executive Session were presented. Ms. Kist moved, Mr. Pugliese seconded, that the reading of the minutes be waived; motion CARRIED. There being no corrections, the minutes were approved as presented.

CITY MANAGER'S REPORT

Parks & Recreation Board Reappointment

The City Manager requested the reappointment of Mr. Earl Tucker with a term to commence May 22, 2010 and expire May 21, 2015. Ms. Kist moved, Mr. Pugliese seconded, to approve the Manager's recommendation; motion CARRIED.

QUESTIONS AND/OR COMMENTS FOR THE CITY MANAGER

Lamar Outdoor Advertising

The Ward 2 Councilor asked the Manager if he was able to let Lamar know their billboard properties at Columbus Avenue & East 6th Street and on East 6th Street need mowing. The Manager reported Lamar reports looking for a new contractor; and will call them again tomorrow.

Recreational Vehicles (R.V.s)

The Ward 1 Councilor commented on photographs of R.V.s the Manager presented to him. The Councilor reported the newly enacted legislation prohibiting R.V.s and commercial vehicles from parking in residential areas should say R.V.s are okay if they do not block the neighbors view. The Manager reported the photographs are of vehicles in violation of the ordinance. The Solicitor reported the ordinance enacted in January states a vehicle must be in a paved or graveled driveway; it can not be parked within 20 feet of a sidewalk (that's the view distance); or if there is no sidewalk the distance is within 25 feet of the edge of the nearest paved roadway. He reported an alternative would be if a vehicle is parked on a paved or solid surfaced area where no part of it extends beyond or closer to the street than the front foundation wall of the house. The Solicitor commented on receiving a recent email which voiced concern that the legislation is broader than intended and is awaiting instruction to possibly narrow the scope. He reported some of the photographs show a violation of the City's side yard parking prohibition. The Councilor reported the R.V. on Eleanor Drive is within the 25 feet limit; the Solicitor said he would review the photograph). The Councilor reported three of the violations have moved and the one on Union Avenue is still in violation. The Manager reported the owner of the Union Avenue violation has asked for an administrative appeal, which he will hear, and for which the date is being scheduled. The Clerk clarified the Ward 1 Councilor's desired verbiage for the legislation, which was that no recreational or commercial vehicle should block their neighbors view. She clarified that the Committee's overall desire was that no R.V. should be parked beyond the front line of the house; and that Ordinance No. 2010-10 is scheduled for the Safety Forces Committee's review on Wednesday (the Ward 1 Councilor being the Chair). The Solicitor reported the photographs were presented to him today; that his next step is to write a letter or file the charge in municipal court; but if it meets with Council's approval he would like to exercise his discretion and hold off on acting until the Committee meets and advises. The Committee was in agreement.

CITY SOLICITOR'S REPORT - (NONE)

CITY AUDITOR'S REPORT

Financials

The City Auditor reported he provided the following report to the Finance & Personnel (F&P) Committee last Wednesday:

A January 1 through April 30 review of Projected General Fund Expenditures and Revenue; and Property & Other Taxes (mostly just property tax): projected \$497,000.00; actual \$501,000.00

REVENUES

Municipal Income Tax: projected 1,976,000.00 actual \$1,980,000.00
(April was good);

Charge for Services: projected \$63,000.00; actual \$66,000.00

Fees, License, Permits: projected 26,000.00; actual \$20,000.00

Fines & Forfeitures: projected \$218,000.00; actual \$203,000.00

State Shared Taxes: projected \$561,000.00; actual \$423,000.00

(Local Government Funds is biggest part of deficit, LGF's are the City's share of sales taxes which the State shares with County and City)

Interest: projected \$684.00; actual \$1,238.00. (The City used to bring in over \$100,000,000.00 [one million] in interest income because our cash balance was that high).

Other: projected \$442,000.00; actual \$406,000.00

REVENUE TOTAL: Projected \$3,800,000.00; actual \$3,601,000.00
(Revenue side lagging behind projected)

EXPENDITURES TOTAL: Projected \$3,375,000.00; actual \$3,370,000.00

We have a pretty good handle on expenditures. There are a couple department that need to look at their budgets because they have spent more than projected (Municipal Court, Police Department [last two months have come in right on budget - first few months over by \$40,000.00 and need to make it up somewhere along the way], and Fire Department [little over but are making up shortfall quickly since they have signed agreement with City and their overtime amount is much less.]

The most concerning and disturbing is the Cash Balance; which at the end of April 30 was projected to be \$367,000.00; the actual was \$253,000.00; most of the shortfall is Local Government Funds. He recommended to the F&P Committee that the revenue side of the appropriation ordinance be reduced by \$100,000,000.00. The consequences of the reduction is departmental expenditures also need to be reduced in proportion to the department's allocation of GF monies (e.g. reduce according to what percentage of GF dollars are allocated in a department). The Auditor will calculate the breakdown and share it with the City Manager.

Waste Water Treatment Fund (WWTF)

The Auditor discussed with the F&P Committee his concerns that fees had not been increased in over two years. Prior to this time period small 2 to 3 year incremental increases (3%) were enacted, which equals about 0.07 cents for every 750 gallons of water used per month - less than \$1.00 per month, per residence, which was done for six consecutive years. Prior to that the City went for several years without raises sewer rates, and when they were raised they were raised by over 12%, and citizens were very upset. He cautioned Council that "I think we need to get back on track; I think we need to do the small incremental increases, even if it's only 5, 6 7 cents per every 100 cubic feet; that's enough. As I looked at our cash balance in the WWTF, and it was only at \$345,000.00 (I say "only at" because we have just received \$300,000.00 from the County for delinquent sewer for 2009. Absent that we'd be on the verge of not having any cash in that fund. That fund can not run on a negative cash balance. That fund should always be carrying a million dollar cash balance.) I know that we have allocated other expenses to that fund. I know that we are trying to do a lot of capital improvements in that fund; and we're utilizing a lot of money as well as - I showed the Committee two things: in the last two years we have not increased our sewer rates at all, but our utility bills have gone up \$100,000.00. We have many, many huge pumps that run that plant and our electric went up 100 grand but we didn't increase our rates. I look at our debt service - we're getting a lot of grant money and matching money to do different projects down there; and we picked up an additional \$200,000.00 a year in debt service (have to make \$200,000.00 more in payments than did 2 years ago because the rates have not been increased). So when the cash balance goes down from \$1,000,000.00 to \$300,000.00, that's why - I'm paying all these additional bills and taking in no additional money." He urged Council to get the sewer rates back on track and get small incremental increases in place. He said the City Manager has talked about doing major renovation, so perhaps the small increases need to be upped a bit to pay for the needed capital improvements."

QUESTIONS AND/OR COMMENTS FOR THE CITY AUDITOR

The Ward 1 Councilor asked how the proposed sewer rate increase will affect the townships. The Auditor reported if the increase rates are approved, a copy of the ordinance would be forwarded to the County Commissioners for their approval. If they do not approve the increase he believes it would go to arbitration; noting the County approved the last 6 years in increase, but disapproved the increase when the City waited and the increase was in excess of 12%. He reported Ashtabula, Saybrook and Plymouth Township residents will pay the same increase.

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The Ward 2 Councilor asked if the debt service stems from loans or matching grant funds. The Auditor replied the custom has been to secure loans for grant matches. He out in 1993 can not be repaid before the payoff date; therefore no more OWDA funds have been borrowed because he does not like their terms (e.g. payments are due January, which is impossible to adhere because year end closing causes checks not to be able to go out until the middle of January). The Auditor said the City has secured several interest free loans (which sounds great), but the principle has to be repaid, which is why our debt service has increased.

QUESTIONS AND/OR COMMENTS FOR THE CITY SOLICITOR - (NONE)

CITY COUNCIL COMMITTEE REPORT

Community Development and Parks & Recreation - (Mr. Trisket, Chair): announced there will be no June meeting.

Walnut Beach Wetland Property Title and Land Searches

Mr. Trisket moved, Ms. Kist seconded to allocate up to \$2,000.00 for title and land searches. The searches will be for Walnut Beach wetland properties. The funding will be taken from the Parks & Recreation Fund. The motion CARRIED.

Letters of Commendation for Beatification

The Chair reported the Clerk of Council will draft three letters of recognition acknowledging beautification efforts.

Legislation Removal from Agenda (1361 Administration & Enforcement - Housing)

Mr. Trisket moved, Ms. Kist seconded, to remove agenda items 1 and 2 from this evening's agenda; motion CARRIED.

Economic Development and Port Authority - (Mrs. Stranman, Chair): reported on the Committee's Wednesday, May 12 meeting; announced the June meeting is cancelled and the next meeting is scheduled for Wednesday, July 14, at 6:00 p.m.

The Chair reported on the following from the May 12 meeting:

Business Registration Application

The Committee would like to encourage businesses to file their application and renewal annually by April 15. To encourage annual renewal a \$25.00 late fee will be assessed if the April 15 deadline is not met. Mrs. Stranman moved, Mr. Trisket seconded, to establish the late fee; motion CARRIED.

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MK2 Tax Abatement

Mrs. Stranman moved, Ms. Kist second, to formally request legislation authorizing the City Manager to enter into a Community Reinvestment Area Tax Incentive Agreement with MK2 properties, LLC.; motion CARRIED. The Chair reported this will be a 50%, 7 year abatement for the Medicine Shoppe presently located on Main Avenue. They will construct a new facility with drive thru access in the hopes of increasing business and employees. She reported this to be exciting because it is the first new construction on Main Avenue in quite sometime. The tax abatement will help ensure the business remains on Main Avenue and in the City.

Tax Credit Program

The Committee voted to allow the Manager and Solicitor to create a Job Credit Tax Program outlined in Ohio Revised Code 718.15, for the purpose of spurring job creation, which will be presented to the full Council when completed. The Committee agreed to allow them to make recommendations regarding the program.

Zoning Permit Fees

The City Manager and Engineering Department will review surrounding area fees, advise the Committee of the changes they recommend, and lastly the outcome will be taken to brought to the full Council for approval.

Mission Statement/Resume Work Orders/JEDDs

The Chair reported she awaits feedback from various ones on the first draft of the Mission Statement. The Committee is looking at Resume Work Order procedures. The creation of JEDDs is moving forward slowly but purposefully. The Manager regularly updates her and is presently meeting with the townships.

Questions for the Committee

JEDDS

The Ward 2 Councilor asked if there is a time limit on JEDDs. The City Solicitor replied as follows: "The situation is this...I'm not trying to avoid answering your question...the short answer would be "not really". But, as of now the situation is this...approximately two and a half, coming up on three years ago, City Council enacted an ordinance declaring the City/County Sewer agreement at an end and indicating that the City of Ashtabula would continue to receive and treat waste water from the unincorporated areas upon such terms and conditions as City Council determined, in its discretion. That was not acceptable to the County; the County sewed us. Approximately two years of suit and counter suit and negotiations followed with the result that we negotiated a tentative agreement - an executory, I'm going to call it, an unsigned/waiting to be signed agreement which calls for the formation of JEDDs, among other things, but with the proviso and with a separate memorandum of understanding that indicated that that document will not be signed until such time as two JEDDs are in place - one in Ashtabula Township and one is Saybrook Township. The County and the City had completed review and approval of that document by sometime in January of this year. Since then the Manager has been attempting to get a meeting together with Saybrook and Ashtabula Township Trustees, with business owners that may be interested in economic development opportunities that JEDDs may offer.

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And, quite frankly, there's been mixed success on that. There have been some road blocks and some stumbles and some misunderstandings (some misstatements, to be honest with you). I would say at this point, as a matter of fact, as of today I repeated a request that the County Prosecutor, who is representing Ashtabula Township at this point, and the private attorney representing Saybrook Township and I get together a.s.a.p. to make sure that these misapprehensions and stumbling blocks don't get us to the point where we do not have a City/County Sewer Agreement, we do not have any JEDDs and we are back where we were six months ago." The Councilor asked if it can go on for one to two years. The Solicitor said it depends on how much patience the City is going to exercise which is up to the members of Council. He said he will not be advising Council to wait that long to take action to protect the City's interest.

Finance and Personnel - (Ms. Kist, Chair): reported the City Auditor covered the May 12 meeting quite well during his report. She reported the Committee is scheduled to meet on June 9, but if nothing pertinent arises she will cancel.

Ms. Kist moved, Mr. Pugliese seconded, the reappointment of Mrs. Wanda Rose-Bates to the Parks & Recreation Board, for a term to commence May 22, 2010 and expire May 21, 2015; motion CARRIED.

Public Utilities and Schools - (Mr. Pugliese, Chair): announced there to be nothing to report and no meeting scheduled.

Public Works - (Mrs. Lattimer, Chair): No Report

Safety Forces - (Mr. Rose, Chair): announced the Committee will meet on Wednesday, May 19. The topics will be recreational vehicles and texting/cell phone legislation.

Questions for the Committee

No Parking on Lake Avenue

The Ward 2 Councilor asked the Chair, and the Chair agreed to have the Committee look at the possibility of placing no parking on Lake Avenue just south of the Squire Shoppe Bakery where the license bureau is currently located. He reported signs were there a couple years ago and when they redid the areas the signs were removed and never replaced.

Work Session (Mr. Brockway, Chair): announced the June 14 Work Session is cancelled; that the Council will meeting in a Regular meeting on June 7 and June 21; and if need be the Pre-Council meeting scheduled for 6:00 p.m. on both days may begin early to take care of any items that would have been taken care of in Work Session.

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Committee Minutes

The Clerk of Council informed the Council that the transcription of their Committee meeting minutes would be brought current by the end of June.

FORMAL LEGISLATION REQUEST - (NONE)

PUBLIC'S QUESTIONS AND/OR COMMENTS ON TONIGHT'S LEGISLATION - (NONE)

LEGISLATION READING

ORDINANCE NO. 2010-55 AN ORDINANCE AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH THE STATE OF OHIO FOR THE PURCHASE OF A TRACTOR FOR THE ASHTABULA CITY PUBLIC WORKS DEPARTMENT, was presented. Ms. Kist moved, Mr. Pugliese seconded, to waive the reading of the ordinance; motion **CARRIED**. Ms. Kist moved, Mrs. Stranman seconded, to suspend the Charter requirement of two readings. On the roll call to suspend the Charter requirement: Mr. Trisket, Mr. Rose, Mr. Pugliese, Mrs. Stranman, Ms. Kist, Mr. Brockway voted yea; motion **CARRIED**. On the roll call to adopt the ordinance: Mr. Trisket, Mr. Rose, Mr. Pugliese, Mrs. Stranman, Ms. Kist, Mr. Brockway voted yea; motion **CARRIED**.

ORDINANCE NO. 2010-56 AN ORDINANCE AUTHORIZING THE CITY MANAGER TO ENTER INTO A COMMUNITY REINVESTMENT AREA TAX INCENTIVE AGREEMENT WITH MK2 PROPERTIES LLC, was presented. Ms. Kist moved, Mrs. Stranman seconded, to waive the reading of the ordinance; motion **CARRIED**. Ms. Kist moved, Mrs. Stranman seconded, to suspend the Charter requirement of two readings. On the roll call to suspend the Charter requirement: Mr. Trisket, Mr. Rose, Mr. Pugliese, Mrs. Stranman, Ms. Kist, Mr. Brockway voted yea; motion **CARRIED**. On the roll call to adopt the ordinance: Mr. Trisket, Mr. Rose, Mr. Pugliese, Mrs. Stranman, Ms. Kist, Mr. Brockway voted yea; motion **CARRIED**.

LIQUOR PERMIT TRANSFER

FROM: KWIK PIK OHIO LLC, dba Uni Mart 04768, 4000 Park Avenue, Ashtabula, Ohio 44004

TO: GEETANJALI ASHTABULA GAS INC., dba Uni Mart 04768, 4000 Park Avenue, Ashtabula, Ohio 44004

Mr. Trisket moved, Mr. Pugliese seconded, not to request a hearing; motion CARRIED.

UNFINISHED BUSINESS

Weeds

The Ward 1 Councilor reported there are weeds from the corner of Cemetery Road to Norman Avenue (large field); from Norman Avenue to Daniel Street (the grass is so tall it covers the mailboxes); and from Norman Avenue to Andrews the grass is high and there is “a bump”.

MISCELLANEOUS BUSINESS

Ribbon Cuttings

The Ward 3 Councilor announced ribbon cuttings are scheduled for Psychological & Behavioral Consultants (West 46th Street), and Computer Pros (East Prospect Road); and she welcomed the new businesses.

Income Tax Renewal Passage

The Council President thanked voters for their support in the passage of the City’s Income Tax Renewal on May 4; and that Council and the Manager have the next three years to earn citizenry support for the renewal scheduled in three years.

NEW BUSINESS

High Grass

The City Manager reported on the problem with high grass at properties on which a real estate broker sign sits; and asked brokers to take care to have the grass at these properties maintained. He said if the City has to mow private property the minimum charge is \$250.00

PUBLIC’S GENERAL PORTION - (NONE)

Ms. Kist moved, Mr. Pugliese seconded, to adjourn at 7:55 p.m.; motion CARRIED.

DATE APPROVED: _____

ATTESTED BY: _____

Charles P. Brockway
President of Council

ATTESTED BY: _____

LaVette E. Hennigan, MMC
Clerk of Council