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CITY OF NORTH CANTON, OHIO
COMMITTEE OF THE WHOLE MEETING

**TRANSCRIPT OF
APRIL 29, 2019, MEETING**

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Transcript of Proceedings of the North Canton City Council, taken by me, the undersigned, Laurie Maryl Jonas, a Registered Merit Reporter and Notary Public in and for the State of Ohio, at North Canton City Hall, 145 North Main Street, North Canton, Ohio, on Monday, April 29, 2019, at 7:00 p.m.

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1 APPEARANCES:

2 Daniel Jeff Peters, Council President, Ward 2

3 Doug Foltz, Vice President, Ward 1

4 Mark Cerreta, At Large

5 Daryl Revoldt, At Large

6 Marcia Kiesling, At Large

7 Stephanie Werren, Ward 3

8 Dominic Fonte, Ward 4

9 Patrick A. DeOrio, Director of Administration

10 Timothy L. Fox, Director of Law

11 Laura E. Brown, Director of Finance

12 Robert G. Graham, Engineering Services

13 David J. Held, Mayor

14 Catherine Farina, Assistant Director of
15 Administration

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1 MR. PETERS: Okay. I'd call to order the
2 committee meeting, Monday, April 29, 7 p.m.

3 Laura, will you please call the roll.

4 MS. BROWN: Peters?

5 MR. PETERS: Here.

6 MS. BROWN: Foltz?

7 MR. FOLTZ: Here.

8 MS. BROWN: Cerreta?

9 MR. CERRETA: Here.

10 MS. BROWN: Revoldt?

11 MR. REVOLDT: Here.

12 MS. BROWN: Kiesling?

13 MS. KIESLING: Here.

14 MS. BROWN: Werren?

15 MRS. WERREN: Here.

16 MS. BROWN: Fonte?

17 MR. FONTE: Here.

18 MS. BROWN: Seven present.

19 MR. PETERS: Thank you.

20 All right. First up, Finance and Property,
21 Chairwoman Werren.

22 MRS. WERREN: So tonight we're going to have
23 a presentation from Johnson Controls, and they have
24 asked if they could come up last week, and we didn't
25 know, so we had a lot of questions and stuff, so I

1 think this is a great way for us to see what they can
2 offer and do and then we'll ask our questions. Is
3 that good?

4 MR. PETERS: Welcome.

5 MS. WILSON: Thank you. And my name is
6 Shestin Wilson. I'm with Johnson Controls. This is
7 Vince Lehman; he is our development engineer. He
8 is -- actually lives 20 minutes from here and he's
9 been working with us on this project for -- since I
10 think we started in October, so working with Patrick
11 and the administration. And then this is Zach
12 Thomas, our sales manager. I think you met him at
13 the Walsh meeting.

14 So I want to first thank you for having me
15 here tonight, and thank you for your thoughtful
16 consideration of this project over the last couple
17 council meetings. I've listened -- I've been here
18 and listened to last week's online on YouTube and I
19 guess I want to walk you through where we've been
20 over the last six months. I'm going to try to do it
21 as fast as I can and take you on a six-month journey
22 in ten minutes. So if you have any questions during,
23 please just ask so I can clarify things.

24 So real quick, high level, is who is Johnson
25 Controls. We are a manufacturer of building

1 equipment. We make HVAC building controls, fire
2 suppression, fire alarms, security systems.
3 Basically we're a full-service provider. We
4 specialize in smart buildings and smart cities.
5 We've been in business since 1985. We've been here
6 in Ohio for over a hundred years. We have -- right
7 now we have \$192 million worth of active guarantees
8 in the state, so we have a vast number of customers
9 that we've been worked with -- that we have worked
10 with, and that's more business than any other company
11 has in the state of Ohio. There's a list of our --
12 some of our references on the left also.

13 And over the years, these types of projects
14 have generated over 6,000 jobs in the state of Ohio.
15 This is a performance infrastructure program. It's
16 legislatively enabled through ORC 717.02, and it
17 allows -- it was created in 1985 and it's meant to
18 allow cities to upgrade their infrastructure, their
19 buildings, their lighting through energy and
20 operational savings. So it's a fiscally responsible
21 model. It's you leverage your existing budget, and
22 you try to do it in budget-neutral approach. So
23 you're redirecting dollars from the utility company
24 back into the city's coffers to pay off the cost of
25 the project. Our number one goal in any project is

1 to eliminate the city's risk.

2 So in typical construction events, customers
3 see 4 to 9 percent change orders of the cost of
4 project in change orders. We guarantee there will be
5 no change orders, so we guarantee the installation
6 cost once we develop that. We also guarantee the
7 performance of the project. Meaning we work with the
8 city during the development with the end in mind. So
9 what are your goals? And then when the project is
10 complete, we want to achieve those goals. We're not
11 going to value engineer out those key elements. We
12 guarantee the savings. So when we present the
13 contract with the installation costs, we also present
14 projected savings, and those are guaranteed and
15 backed by Johnson Controls and then measured and
16 verified over the length of the project.

17 This is a list of some typical improvements
18 that we do all day every day across the country.
19 Here in this project we're focusing on lighting,
20 boiler replacement, chiller replacement, windows and
21 the water treatment sludge press. So some of these
22 items have a quick payback period, some of them have
23 a longer payback period, meaning they generate less
24 savings over time.

25 The question -- I heard the question asked at

1 one point, can the city self-implement some of this
2 work? Yes. I mean, the city could self-implement
3 some of the LED lighting or some of these projects,
4 but the beauty of this program, and really the reason
5 that the legislation was created is to capture the
6 savings generated from the lighting, for example, and
7 apply it to a heavier-lifting item like a chiller.
8 So that way you're taking a proactive approach, a
9 fiscally responsible approach, and you're not being
10 surprised in two years when the chiller fails and
11 then you have to tap into capital budget to fix it.

12 This is our process, our steps. I'm going to
13 walk through these to show you where we've been and
14 where we're going. So we started with a utility bill
15 analysis. We looked at the -- all the city-owned
16 buildings, your spend, your gas and water spend over
17 a 12-month period, and one thing really jumped out at
18 us, which is the city hall was operating -- or is
19 operating at \$4.12 a square foot, which is fairly
20 high for a building of this type of usage and its
21 age. You would typically see it around a dollar, a
22 dollar-fifty. So there's a big opportunity for
23 savings in that building -- in this building.

24 The next step was to actually walk those
25 facilities and see is there a physical, mechanical

1 pathway to achieve that -- those savings. We
2 presented to the city opportunities -- or to the
3 administration opportunities at all of these
4 buildings, and the administration decided to focus
5 this project on the city hall, the streetlights, and
6 the water treatment plant.

7 So the next step was to present our findings
8 of the feasibility study, and these are preliminary
9 numbers, okay? This is an "is it possible" check.
10 And the answer is yes. The general fund project
11 would include improvements to city hall, LED
12 lighting, lighting controls, a boiler replacement, a
13 chiller replacement, building management system,
14 window improvements, weather stripping, and
15 completing the conversion of the streetlights to LED.
16 All of those items can generate 1.4 million in
17 savings over a 20-year period, and the estimated cost
18 of the project is 900,000. So when you factor in the
19 cost of financing, it does self-fund and it actually
20 produces a positive cash flow of about \$10,000.

21 On the enterprise side, Vince, do you want
22 to -- Vince walked all of the buildings. But do you
23 want to specifically talk about the water treatment
24 plant upgrades?

25 MR. LEHMAN: Sure. So on the water treatment

1 side of things, we went out and took a look at the
2 plant, and really the good news for you is you're
3 doing a great job. The people you have out there
4 running it are doing a fantastic job running it, so
5 hats off, because I don't always see that when I go
6 out and take a look at these things.

7 So as we went through, we started out looking
8 at kind of bigger picture, a little more, I wouldn't
9 say exotic, but a little bit out-of-ordinary things
10 to do and ways to help out. And one of the things
11 that came to light is the way you're transporting and
12 you're dealing with your sludge. And I know there's
13 been some discussion that you've had with that, you
14 know, over a period of time and kind of where to go
15 from there. But, you know, Mark and the rest of the
16 people out there kind of had an idea of what they
17 wanted to do and how they wanted to deal with the
18 sludge and using a press-type of approach to dewater
19 that and make it, frankly, significantly less
20 expensive to go ahead and dispose of.

21 And, in fact, an opportunity actually exists
22 that you may be able to take -- can't promise this
23 right now, but you may be able to take and actually
24 recoup money from that and actually sell the
25 material. We've done that in some other locations

1 and we'll investigate here. Can't promise you; I
2 have to make sure I find a buyer first. But there
3 may be opportunity to do that. So in essence, you
4 know, doing some continuation of some lighting work
5 out there and dealing with the installation of a
6 sludge press and all the peripheries that go along
7 with that probably would be a good thing to do, and,
8 in fact, would be a strong recommendation from us.

9 I know, Mark, I think you brought some
10 materials here for maybe do some show and tell. I
11 don't know if you want to take a look at those right
12 now, but you can kind of see what we're talking
13 about.

14 MS. KIESLING: Yeah.

15 MRS. WERREN: Yeah. We like show and tell.

16 MR. LEICHTAMER: Handouts for sludge.

17 First of all, I'd like to say this is the way
18 we send to the sludge lagoons out back. The five
19 ponds we have out back. This is about 5 percent
20 solids. You see how it settles out. And this water
21 here on the top, which is supernate, can be
22 recaptured and sent back to the head of the plant for
23 reuse. And that will happen in the sludge.

24 MRS. WERREN: We don't do that now?

25 MR. LEICHTAMER: We do not. We could, and we

1 used to, but it is ground under the influence of
2 surface water because the pond is not covered.

3 MRS. WERREN: Got it.

4 MR. LEICHTAMER: So we could be able to
5 recover this once if you put in a sludge press.

6 Just to show you what we're dealing with now,
7 we currently have five ponds that are completely
8 full. This is about three weeks' drying time in the
9 sludge lagoon. After it's been sent out at this,
10 it's -- this is about three weeks' drying time, which
11 is probably only 20, 25 percent solids. It's mostly
12 water. It's like pudding.

13 And I snuck over to Aqua today and stole some
14 of their filter cakes off of their press. This is
15 what it ends up. It presses it into big sheets about
16 an inch thick, 2 meters by 2 meters, and it drops out
17 of the belt press on the bottom and shatters on a
18 hard surface. And then they have an auger that
19 breaks it down into the smaller cakes, and that's how
20 the farmers love it on the back end because they use
21 the sling feeders to spread it on their fields. And
22 I know for a fact we can get rid of it in that form
23 as compared, because basically we have to send it
24 back to this form, we liquefy it, haul it out in a
25 tanker truck and spread it out on the farmers' fields

1 currently, so we're basically paying to haul the
2 water back out. That's where it becomes inefficient
3 and expensive. And the ponds are always full. Our
4 windows every year seem to keep closing. You have a
5 month in the spring and a month in the fall to get
6 rid of it or the farmers don't want it after that
7 because the fields are too wet or their crops are
8 planted. And that window gets smaller and smaller,
9 it seems like, every year. Like last winter, they
10 couldn't come back at all because it was too wet in
11 the fields.

12 MRS. WERREN: And there's no problem with the
13 farmers wanting to buy it; right?

14 MR. LEICHTAMER: Not at that point, no.

15 MRS. WERREN: There's a demand for this?

16 MR. LEICHTAMER: There's a demand for that
17 but not this way. It's getting harder and harder to
18 get rid of it.

19 MRS. WERREN: I like the show and tell.
20 Thank you.

21 MR. LEHMAN: It's my understanding --
22 thanks, Mark.

23 So yeah, you can see by doing that you really
24 take an opportunity to take something that is costing
25 the city money to get rid of by hauling it away and

1 eliminating some of the problems with filling up your
2 basins and things like that to turning it into
3 something that can readily be disposed of at no cost,
4 which we know exists today, to the potential to
5 actually turn it into a revenue source. And that's a
6 golden opportunity for you to work with and something
7 we'd be excited to work with you on.

8 MS. WILSON: So these numbers here, project
9 cost is estimated right now at 2.2 million. Project
10 could generate 3.7 in savings. That's just reducing
11 your hauling fees. There's upside to that that
12 doesn't include actually selling the product. So
13 there's upside to the revenue stream. And factoring
14 in the cost of financing, it would -- right here
15 alone would generate \$480,000 in positive cash flow
16 over the term.

17 The legislation requires procurement; right?
18 Competitive bidding. There's two ways to do that.
19 Through an RQ process or a cooperative purchasing
20 agreement. The administration chose to do a
21 cooperative purchasing agreement, which allows the
22 city to get the very best price across the board on
23 the project. In 2017, this was the -- this type --
24 this energy services program was nationally bid.
25 They had 61 firms who were a part of the selection

1 process. Five were shortlisted, three were selected,
2 and Johnson Controls was number one. The City of
3 North Canton has been a member of Sourcewell since
4 2007, and that's your member ID right there. And so
5 this is -- this meets the competitive procurement
6 requirements in legislation.

7 So the next step is to move into project
8 development. This is where we are today. Looking at
9 a project development agreement. It's included in
10 the -- in the attachments that you have received.
11 And this is basically our cost to engineer and design
12 the project. We're not in the business of
13 engineering projects. We -- we want to actually
14 manage the installation for you, so we're just
15 showing you this cost up front, but that cost is
16 actually rolled into the total cost of the project,
17 the 3.2 million. So it -- the city's allocating it
18 right now but it's not going to come out of pocket.
19 That's going to be part of that self-funding \$3.2
20 million project. And then at the outcome of the
21 project design and development, it's typically about
22 a three-month project, so Vince and I would come back
23 to council in August or September time frame with a
24 final design and a breakdown. We would present to
25 the administration a breakdown of cost and savings

1 and ROI for the items and then the city has the
2 information to make an informed decision on what
3 scope items they want to include. What makes sense
4 to include in that final project. So there's a lot
5 of flexibility that the city has over the next three
6 months in working with us to actually design the
7 final project. And that's going to be presented in
8 September.

9 And finally, we would present the contract.
10 Like I said before, that contract has a guaranteed
11 installation cost, guaranteed savings, and Johnson
12 Controls would manage the installation. We try to
13 use local labor as much as possible, and we bid out
14 the subcontracts to ensure that we get the best price
15 and we manage those subcontracts throughout the
16 project, the installation, and we are responsible for
17 ensuring that it's complete on time and under budget.

18 And the final step is measurement
19 verification. Which is once the project is
20 installed, we measure your savings quarterly and --
21 typically. And we report those savings to you on an
22 annual basis, and if there are any shortfalls, we pay
23 them on an annual basis.

24 So I hope that answers some of the questions.
25 I'm sure there's some questions out there so I guess

1 I'll open it up.

2 MR. FONTE: So I have a question.

3 MS. WILSON: Yeah.

4 MR. FONTE: So, like, when you look at the
5 scope of the project, it sounds like the biggest cost
6 is the sludge compressor, or whatever you want to
7 call it. And I think I read somewhere that the city
8 already identified what system they want to use; is
9 that correct?

10 MR. LEHMAN: Yes. It actually makes it a lot
11 easier as we put the project together. You know, in
12 talking to Mark, they have looked at a number of
13 different types of systems to work with. We
14 discussed that back and forth as far as what, you
15 know, I've seen and what my team has seen in various
16 situations. And, quite frankly, we agree that the
17 press is the most cost-effective, the easiest way to
18 implement, and the one with the best life cycle
19 costs, long-term cost, is low maintenance. And what
20 that does for us, when we do the development, is
21 instead of having to go through the process of
22 putting all of that together and doing test projects
23 where we bring in the different technologies, try
24 them out, see what everything looks like, we were
25 able to just move right into the final design of the

1 the use of the press and all the ancillaries with it,
2 the piping, the building, the conveyors and all that
3 stuff with it, and it helps keep that overall
4 engineering cost down to start with.

5 MR. FONTE: Is that 2.2 million without
6 financing? Is that the raw cost to do the project?

7 MR. LEHMAN: Yes.

8 MR. FONTE: So here is my thinking. So we
9 have lighting, the building, which seems like this is
10 kind of a high priority because of the \$4 1/2 or
11 whatever you said was the cost.

12 MR. LEHMAN: Over \$4, yeah.

13 MR. FONTE: This is just me thinking out
14 loud, just being an entrepreneur thinker --

15 MR. LEHMAN: Sure.

16 MR. FONTE: Is the 3.2 million, if I had a
17 magic wand and I had the money I would just say let's
18 do it. I just always look at the financing cost over
19 20 years. You know, I look at the longevity of the
20 project and that, and that's how I always think about
21 that. That's why I mentioned probably cost plus
22 versus cost neutral. And so the way I look at it is
23 that if I spent 1.2 million in financing, that could
24 pretty much take care of a lot of these smaller
25 projects. So I didn't know if there was a way that

1 we could phase it in over time or does it all have to
2 be done together? Is it more cost-effective to do it
3 together? I mean, because I look at this more like a
4 capital improvement-type thing overall, and I always
5 like to say -- I mean, I think we have a reserve fund
6 that Laura has. It would just be great if we could
7 somehow get some money into the reserve fund and just
8 maybe see what the breakdown of these projects are
9 and take a bite at a time. I mean, I think it's wise
10 to know what priority you think it should be, based
11 on your expertise, and then we can just kind of
12 execute them one by one. Just in my mind, it's hard
13 for me to get around 1.2 in financing. That's my
14 personal feeling. I think it's a good idea. I
15 just -- the money is what -- it's like, you know,
16 like if it was bricks and mortar, I'd feel better
17 versus like, you know, other things.

18 MR. LEHMAN: Sure. Yeah. I understand.

19 MR. FONTE: That's just my thought. I don't
20 know what everybody else thinks about it.

21 MR. LEHMAN: I guess the answer -- you asked
22 a lot of stuff in there. So the simple answer is, is
23 yes, you can phase things, okay? Is it more
24 expensive to phase them? It depends how you phase
25 them. And the other thing that you need to be aware

1 of is that through the legislation, as you phase
2 certain things you can only take the savings for that
3 phase. So you don't want to do all the stuff that
4 pays for itself very quickly today and then take five
5 years down the road or two years down the road or
6 whatever and do, you know, additional work at that
7 point because you've already captured that savings
8 and applied it to that first phase.

9 So as you look at this, and that's part of
10 what we do when we do the development side of things
11 is we give you that information. And not only do we
12 say, you know, what everything is going to cost and
13 what the savings impact is, but what is the
14 relationship between that. So as we put the
15 development together, you'll have the opportunity to
16 say, well, you know what? Maybe I should do this and
17 not do this kind of scenario. Not only will we say
18 to you, okay, it's going to take this many dollars
19 out of the project, but we'll also say this is the
20 impact you're going to have on the savings associated
21 with the project and the resulting change in finance.
22 What does the big picture look like? Does that
23 answer?

24 MR. FONTE: Yeah. I mean, just for me it's
25 just a matter of, you know, I always like to pay as I

1 go as best we could, you know, instead of financing
2 it in.

3 MR. LEHMAN: Sure.

4 MR. FONTE: These are things that are capital
5 improvements that should be in the budget anyhow but
6 they're probably not. Maybe that's something we can
7 do down the road, you know, with the funding we had
8 mentioned, but I would just like to see if we paid
9 for the engineering to get the blueprint to see, you
10 know, so we can prioritize it, figure out the most
11 efficient way to spend the money. Because again,
12 these things might be over the next three years or
13 four years to do the whole package. Maybe with the
14 sludge plant, maybe the water, you know, we've got a
15 few water, you know, a few water lines to replace,
16 maybe we could delay a couple of those and just pay
17 for it, you know, out of the fund.

18 So those are the things that just go through
19 my mind. I don't know if anybody has any sense.

20 MR. LEHMAN: A couple of things I'd like to
21 -- I want to make sure you understand as we go
22 through this. When we put our engineering fees
23 together, the 96,000 to develop all of this, okay, as
24 I mentioned earlier -- excuse me. Or Miss Wilson
25 mentioned earlier, we do this kind of a team

1 arrangement. So the cost to engineer, since we don't
2 sell engineering studies and we don't -- that's not
3 where we make our money, that's -- it's significantly
4 less than what you're going to see if you go out and
5 you hire a consulting engineer to engineer and design
6 all of this. The reason that we're able to do that
7 is not because we're just nice people, because we got
8 to run a business. But the reason we do it is the
9 methodology that we use when we put it together. So
10 we do it in a team type of arrangement. So we're
11 working with you to set priorities.

12 As we're doing the design, we're working with
13 the contractors that are giving us prices on the
14 equipment and negotiating with them as we put this
15 together. So the drawings that we put together are
16 not 100 percent, you know, construction drawings with
17 a spec this big and, you know, 70 pages of drawings
18 with it. We do things that are more along the lines
19 of schematic design development, preconstruction kind
20 of things. And move forward until we get, you know,
21 the commitment that this is exactly what the scope is
22 going to look like. And that would come in the
23 September time frame when we come back to you. And
24 then we do the final engineering piece associated
25 with that to get everything done. So I don't want to

1 leave you with the impression that we're going to
2 come back in August and hand you a set of prints and
3 drawings that you can just take out and bid to
4 somebody, because that's not what we do.

5 MR. FONTE: So basically the products that we
6 would be using are from the subsidiary companies?
7 Basically it's your product line of your other
8 companies that would fund everything and supply
9 everything for us, pretty much, and then you just use
10 local contractors to try to sharpen the pencil, so to
11 speak.

12 MR. LEHMAN: Yeah, a little bit. A little
13 bit of that. So what will happen with it is, you
14 know, as far as the manufacturers and the suppliers,
15 we will work with them, and through our purchasing
16 arrangement, because we put in thousands of these
17 around the country, and millions of lights and things
18 like that, we can get that purchase price down a
19 little bit as we go. We can also go through and work
20 the contractors, and as we do this, we said there's
21 no change orders. And the reasons there's no change
22 orders is because of all the communication that goes
23 on, everyone clearly understands what's going on.
24 That does two things. It eliminates the change
25 orders, but it also goes through and it lowers the

1 overall price for the installation of things because
2 now as a contractor is looking at this they're not
3 saying, well, I think he meant this. So I'm going to
4 put this in and I'm going to throw a 25 percent
5 contingency on top of that because I'm not a
6 100 percent sure. Because when they do that, you
7 never see that contingency. When we go through and
8 do this we're able to do it without getting that into
9 the deal. So it's kind of a mixture of all of it.

10 MR. FONTE: So the 20 percent contingency I
11 saw in the agreement is a preliminarial thing?

12 MR. LEHMAN: Yes.

13 MR. FONTE: It just says until we sharpen our
14 pencil and figure out who's on first, basically, and
15 then you can get the 20 percent down to 3 percent, 5
16 percent?

17 MR. LEHMAN: To zero.

18 MR. FONTE: Zero's better.

19 MR. LEHMAN: Yeah. That's what we want to
20 end up with.

21 MR. FONTE: Okay. Those are basically my
22 questions. I don't know if that opens up any ideas
23 for the rest of you. Thank you. That basically
24 answers what I need to know.

25 MR. FOLTZ: I had a follow-up. So what

1 you're saying here, and the large expenditure
2 obviously is the sludge press. So we have money
3 coming out of the enterprise fund, which is the water
4 fund, obviously \$66,780, or near that, is going
5 towards these project costs to pay you. You're
6 saying if that sludge press cost \$2.2 million to
7 install --

8 MR. LEHMAN: Uh-huh.

9 MR. FOLTZ: Stop me when I'm wrong, or if I'm
10 misunderstanding. We don't have any more engineering
11 into this other than what you have identified as
12 which sludge press to use?

13 MR. LEHMAN: That's correct.

14 MS. WILSON: The 2.2 million would cover the
15 engineering costs, the 66,000, it covers any costs
16 associated with M & B, with final design, with
17 everything. That is -- yeah.

18 MR. FOLTZ: Okay. So if we went out and just
19 the hired a consulting engineer ourselves, they would
20 charge us, obviously, to design this sludge press and
21 whatever other fees. I don't know what the going
22 rate is but I think that's something we need to look
23 at to compare apples to apples. Excuse me?

24 MR. REVOLDT: Probably 10 percent at least.

25 MR. FOLTZ: \$220,000.

1 MRS. WERREN: Well, don't forget, 60 -- well,
2 I guess you have the 90 for the other but it's the
3 combined and there's no guarantee.

4 MR. FOLTZ: Yeah. I just want to make sure.
5 I'm trying to evaluate this in a way, if they're not
6 involved, how do we show our taxpayers that this is
7 the cost savings to us for us to vote for this.

8 MRS. WERREN: Right.

9 MR. FOLTZ: Then the other question I have is
10 your facility improvement measures. Who comes up
11 with that? Is that your scale of measurement or is
12 it something we sit down with our administrative
13 people and decide how this works? You know when --

14 MR. LEHMAN: So what do you mean by facility
15 improvement measures?

16 MR. FOLTZ: Well, it's right here in the
17 proposal.

18 MR. LEHMAN: So the list of specific items,
19 what you see in front of you is a list of items that
20 on our preliminary walk-through we saw as
21 opportunities. As we move into the next phase of
22 this, then we work with your administrative team and
23 we jointly put that together. So we'll make
24 recommendations and we'll say this is what we see and
25 what we think is a need from our perspective. We'll

1 take information from your administrative team to
2 say, you know, here is something that we've been
3 wanting to do that we haven't done that we didn't see
4 because, quite frankly, you live in the buildings
5 every day, we see them in a window of time, so we
6 need that interaction, and then the administrative
7 team, along with your assistance, would then
8 prioritize two things: One, you know, I guess what
9 needs to be done and what is included in the project,
10 and kind of how we put the mix of everything
11 together. So it's a joint effort between the both of
12 us.

13 MR. FOLTZ: And if those fall short of our
14 expectations with you designing this with us, what
15 happens then?

16 MR. LEHMAN: Then if it falls short from a
17 perspective of performance, like operation, then, for
18 example, we go through and we mentioned the chiller.
19 I size a chiller and the chiller needs to be
20 increased by 20 percent in size. I have to replace
21 with a chiller 20 percent larger at no cost with you.
22 That's what I mean by no change orders, period, and
23 that applies to everything I'm doing. Lighting
24 levels, everything.

25 The second part is a performance guarantee

1 from the savings perspective. So I say to you that
2 you're going to save \$20,000 a year and you save
3 \$15,000 a year. I'm required to write you a check
4 for the \$5,000 difference.

5 MR. FOLTZ: Okay. And that's going to be
6 spelled out in legalese or a contract language that
7 we're going to vote on this fall.

8 MR. LEHMAN: That's correct.

9 MR. FOLTZ: Basically.

10 MR. LEHMAN: Yeah.

11 MR. PETERS: My understanding --

12 MR. LEHMAN: We'll have a contract that will
13 stipulate all of that.

14 MR. FONTE: I have a question.

15 MR. LEHMAN: Yeah.

16 MR. FONTE: How many times have you had to
17 write a check?

18 MR. LEHMAN: Okay. So we have had to write
19 checks. So as we go through and do this, our
20 company -- and I'm going to boast a little bit. Our
21 company's policy is -- our goal is to be about
22 roughly 3 percent misses on projects on our total
23 portfolio. Right now myself and my team have
24 \$147 million a year in annual guarantees that we're
25 responsible for. Our miss rate right now is

1 .987 percent as of six months ago. So we do write
2 checks. But because what happens is, I'm coming into
3 a building and I'm estimating what things are going
4 on and I'm presuming the way that they work. I've
5 been doing this for 30 years so I have some
6 experience with it but I'm not perfect. But we stand
7 behind it when we're not perfect. And that -- I
8 mean, it doesn't matter what the size of the check
9 is. We'll be here to write it. And if it doesn't
10 work, we'll be here to fix it. And all that you
11 would hear, if we undersize something, if we miss
12 something in the concept of the design, is we might
13 need an extra month or we need a extra couple weeks
14 or we might need whatever to get the installation in.
15 But it won't cost you a penny more. That's why I do
16 this as opposed to consulting in general.

17 MRS. WERREN: Go ahead.

18 MR. REVOLDT: Let me turn the discussion on
19 its head for a moment. Did Johnson Controls install
20 the sludge press at Aqua Ohio in Massillon?

21 MR. LEHMAN: No, we did not.

22 MR. REVOLDT: Do we have any idea of that
23 project's success in selling the lime cakes?

24 MR. LEHMAN: At Aqua?

25 MR. REVOLDT: Yeah.

1 MR. LEHMAN: No, I wasn't involved in that
2 project and that team wasn't, so I'm not sure what
3 they did with that.

4 MR. REVOLDT: All right. Well, I guess where
5 I'm headed with this is that YouTube's a beautiful
6 thing. You can watch it --

7 MR. LEHMAN: I'm sorry?

8 MR. REVOLDT: YouTube's a beautiful thing.
9 You can watch it in operation. Right now we spend
10 about \$105,000 a year, on average, hauling lime. So
11 my question is, like I have a hundred, how much of
12 that \$105,000 are we going to have in savings if we
13 would install this sludge press? Apparently we've
14 got one right down the road, but what we really don't
15 know is how efficient and effective it is.

16 MR. LEHMAN: The one down the road?

17 MR. REVOLDT: Yeah. Right over here in
18 Massillon, Ohio.

19 MR. LEHMAN: I'm not at liberty to even say
20 what it is because I haven't worked on that, I didn't
21 put it together and I don't want to question their
22 design.

23 MR. REVOLDT: I guess -- I guess what I'm
24 really asking is, we're arguing that this press is
25 going to save us money.

1 MR. LEHMAN: Yes.

2 MR. REVOLDT: Correct?

3 MR. LEHMAN: Yes. That's correct.

4 MR. REVOLDT: The argument is that after the
5 raw product is converted to cake, it has market
6 value. Question: In Massillon, where they use this
7 very piece of equipment that you've described, and
8 the type that you would probably recommend that we
9 use --

10 MR. LEHMAN: Okay.

11 MR. REVOLDT: -- my question is, how much of
12 that lime gets sold to farmers?

13 MR. LEHMAN: I don't know how much they sell
14 to farmers because it's different for everyone. So
15 my savings that I'm projecting, as Shestin said,
16 doesn't have the amount of money in there that we can
17 sell to farmers with. The amount of savings
18 projections that we have listed are the saving that
19 you're getting on disposal. So what happens is,
20 right now, and correct me if I'm wrong, Mark, but
21 right now if it can be converted to cake, the hauling
22 fees that you have right now --

23 MR. REVOLDT: Are diminished.

24 MR. LEHMAN: I'm sorry?

25 MR. REVOLDT: Are diminished.

1 MR. LEHMAN: I believe they're eliminated,
2 are they not?

3 MR. LEICHTAMER: Aqua still has a small
4 trucking fee that they still pay Agri-Sludge.

5 MR. LEHMAN: Right.

6 MR. LEICHTAMER: But it is minimal. And they
7 might be able to eliminate that if they tried harder.
8 I talked to him for an hour and a half this morning,
9 Mike Fritz, on the phone.

10 MR. LEHMAN: So because these are
11 preliminary, and I am wanting to make sure I'm not
12 overpromising things, is I've taken 90 percent of
13 your hauling costs and projected a savings for that
14 piece.

15 MRS. WERREN: But you haven't put any of the
16 savings in there for whatever we can sell it. So
17 that's a profit beyond then. So that's a good thing.
18 That's great. So whatever we make, we make.

19 MR. LEHMAN: Yeah, I haven't, and the reason
20 that I haven't is that's very market dependent.

21 MRS. WERREN: Right.

22 MR. LEHMAN: So I don't want to promise you
23 today that I can sell that sludge until I have a
24 buyer. And I'm not going to shop a buyer until I
25 know that I have a product, or a product to sell.

1 MR. REVOLDT: I don't want to be
2 argumentative.

3 MR. LEHMAN: No, that's okay.

4 MRS. WERREN: Yes. He does. It's Daryl.
5 Yes, he does.

6 MR. REVOLDT: I'm an old and grumpy guy.

7 MRS. WERREN: Right.

8 MR. REVOLDT: But clearly in some form that
9 sludge has to be removed, whether it is that
10 semi-solid, sloppy mess or it's in cake form. It's
11 got to go somewhere.

12 MR. LEHMAN: Right.

13 MR. REVOLDT: And if it goes somewhere, we're
14 either going to A, sell it, or B, is we're going to
15 pay someone to come in and transport it and dispose
16 of it.

17 MR. LEHMAN: No.

18 MR. REVOLDT: Where is it going to go?

19 MR. LEHMAN: Stark County Co-op has agreed to
20 take it at no charge to you other than a possible
21 minimal transportation charge to you.

22 MR. REVOLDT: And who is Stark County Co-op?
23 Is that farmers, I take it?

24 MR. LEICHTAMER: Yes. No charge.

25 MR. REVOLDT: Is that how Aqua Ohio is

1 eliminating its -- it's simply moving it off to the
2 co-op. So they're not getting anything for it --

3 MR. LEHMAN: Well, what my proposal is, or my
4 -- I guess not my proposal but my intent is, is we
5 have a safe measure that says we can go to Stark
6 County Co-op at a very significant reduction.

7 MR. REVOLDT: In transportation costs.

8 MR. LEHMAN: Of your current payment, okay?
9 That's the worst-case scenario. The best-case
10 scenario is that I market it to sell it, and if I'm
11 successful in marketing to sell it then you have the
12 upside of a revenue generation with it. But at this
13 stage of the game I'm not guaranteeing that revenue
14 generation because I don't know that it exists. To
15 your point.

16 MR. REVOLDT: Right. So we really don't
17 know. And my guess is if -- if somebody's getting it
18 for free --

19 MR. FONTE: Why pay.

20 MR. REVOLDT: -- why pay.

21 MR. LEHMAN: Well, you don't go to the same
22 person. But you're right. And that's why at this
23 point I'm not saying that there is extra savings
24 associated with it. I'm saying there's the potential
25 for it because I've done stuff like that in the past.

1 But I don't have a buyer today, so I can't project
2 judging that today. That would be irresponsible.

3 MR. FONTE: My thinking is if it's supply and
4 demand, and so if Aqua's doing and we're doing it
5 it's not going to very valuable. So it's basically a
6 wash that they just take it off our hands and save us
7 money. If we get money, like we sell it to Scotts or
8 something, of course, you know, then you could make a
9 few bucks.

10 MR. LEHMAN: And what you do, is like you
11 market it to other co-ops besides the Stark County
12 Co-op and in an attempt to see if they will pay for
13 it. And if they will, then that's awesome. But at
14 the end of the day, if not, you're still eliminating
15 that money that you're spending today to move the wet
16 material. And that's what --

17 MRS. WERREN: Trucking, yeah.

18 MR. LEHMAN: And that's what everything is
19 predicated on at this point.

20 MR. REVOLDT: And who's hauling -- who pays
21 for the hauling from Aqua? Does Aqua pay for the
22 hauling to the co-op or does the co-op eat that cost?

23 MR. LEHMAN: Again, I can't answer. Maybe
24 Mark can.

25 MRS. WERREN: Why are we talking about that?

1 MR. REVOLDT: Because they have one of these.

2 MRS. WERREN: Yeah, but why does it matter at
3 their presentation?

4 MR. REVOLDT: Why? Because I think they had
5 indicated that they were inclined to use the MW
6 Watermark product.

7 MRS. WERREN: Wouldn't Mark know about this?
8 I mean, Mark has investigated this. This has been
9 for six months we've been talking about this. I am
10 assuming Mark has already talked to Aqua and we know
11 these things. I don't know why we're talking about
12 it now.

13 MR. REVOLDT: I'm talking about the
14 transportation.

15 MR. PETERS: Mark, do you know that answer?

16 MR. LEICHTAMER: Aqua-Sludge is charging them
17 a small fee to transport it to Stark County at this
18 point. Just because they said it's easier and they
19 wanted to get rid of it at this point.

20 MR. DEORIO: Well, as it relates to trucking,
21 so you're looking at, as we presently process this
22 sludge, we put it out into lagoons with the hope that
23 it dehydrates to some extent.

24 MR. LEHMAN: Correct.

25 MR. DEORIO: But that's only a very limited

1 amount, as we've seen. So it just stands to reason
2 that the amount that you're transporting, if we could
3 produce it into cake form, you're reducing, taking
4 the water completely out of it, and the water is
5 90 percent of it. So all the trucks that you need to
6 transport the stuff that exists today will be
7 eliminated because you will be putting it in a cake
8 form. But more importantly are the types of trucks
9 that can take it. Because right now the transports
10 that haul the liquid, we are facing a national
11 trucking shortage because those types of trucks are
12 being used in the fracking industry. And they just
13 aren't available. And we're seeing this in the bids
14 that we're opening up that a lot of the supplies that
15 we get come in, they're buying it from the same
16 place, the prices are about the same, the cost of the
17 truck.

18 So this in a powdered cake form opens you up
19 to all kind of different types of trucks that come in
20 and pick that up and transport, if you had to
21 transport it. So, and if you did have to transport
22 it, you're doing 90 percent less because it's in a
23 cake powder form. So there's a number of variables
24 that are at play. And did I hear you correctly when
25 you said that the legislature in Columbus that

1 created that program that allows for municipalities
2 to do this, that they competitively bid this out and
3 approximately 61 --

4 MR. LEHMAN: Yes.

5 MR. DEORIO: -- companies, just not from
6 Ohio, I imagine they're national firms, have come in
7 and, based on the specs, put in their information and
8 of those you were narrowed to a finalist list of --

9 MR. LEHMAN: Five.

10 MS. WILSON: Five were shortlisted, three
11 were selected.

12 MR. DEORIO: Three were selected and yours
13 was the number one bid --

14 MR. LEHMAN: Correct.

15 MR. DEORIO: -- of all the 61, so it would
16 stand to reason that, you know, anybody else that we
17 would be dealing with is going to be at a higher
18 number because they weren't the lowest number
19 already.

20 MR. LEHMAN: Right.

21 MS. WILSON: Correct.

22 MR. LEHMAN: And at the end of the day, if we
23 project -- I project that taking the sludge is going
24 to save you X number of dollars, the way our
25 contracts are written and the way the guarantee is

1 written, if it doesn't save you that then it's my
2 responsibility and my company's responsibility to
3 make up that difference.

4 MR. FONTE: Vince, real quick on the water
5 sludge situation. Have you guys had some experience
6 with those? Is that, like, new to the portfolio or
7 you guys have done a few of these projects?

8 MR. LEHMAN: No, we've done them all across
9 the country.

10 MR. FONTE: The sludge plants?

11 MR. LEHMAN: Uh-huh.

12 MS. WILSON: I can give you a YouTube video
13 of reference.

14 MR. FONTE: Send it to the president.

15 MRS. WERREN: Because we can't Google it but
16 you send it.

17 MR. FONTE: What's Google?

18 MRS. WERREN: What's Google.

19 Daryl, do you have a question?

20 MR. REVOLDT: One follow-up question. I'm
21 looking at page 6, Clause 18 deals with dispute
22 resolutions and indicates that go to arbitration.
23 Who pays for the arbitration?

24 MR. LEHMAN: I'm sorry? What was that?

25 MR. REVOLDT: Who pays for the arbitration?

1 You're using that JAMS, Incorporated, is a dispute
2 resolution company. This is the method of resolving
3 a dispute. Just in case we can't agree on the
4 savings, who pays for the -- who pays for the cost?

5 MR. LEHMAN: I can't tell you that. I'm an
6 engineer, so I'm not the lawyer.

7 MR. REVOLDT: All right. We can -- we can
8 get that?

9 MR. LEHMAN: You can get that later. Do you
10 know the answer?

11 MR. THOMAS: Sorry. The question again was
12 who pays for the dispute before savings?

13 MR. PETERS: Arbitration.

14 MR. REVOLDT: Arbitration. If it goes to
15 arbitration, that is the method proscribed in the
16 contract for dispute resolutions. If we can't agree
17 on savings, we go to arbitration. The clause
18 requires that we use JAMS, Incorporated. Who pays
19 for it?

20 MR. THOMAS: Yeah. Okay. So again, I want
21 to make sure I get this answer right.

22 MR. REVOLDT: That's okay.

23 MR. THOMAS: I have a -- I believe I know
24 what the answer is. I could answer it right now, but
25 I know somebody who has the better one, who is Aaron

1 Volander, who is actually our lawyer that takes care
2 of this. Normally in situations, though, from my
3 understanding, a lot of this is actually negotiated
4 or at least talked from a lawyer's standpoint, so
5 that our goal is never to get to arbitration.

6 MRS. WERREN: How many arbitrations have you
7 been to?

8 MR. THOMAS: Have I or the company?

9 MRS. WERREN: A year. How many do you go to
10 a year?

11 MR. THOMAS: Across the country, I don't know
12 the exact number. But again, like Vince mentioned
13 earlier, we're not perfect. The goal is we have our
14 reputation to stand by. And our goal is to
15 long-term. So realistically, some of our best
16 customers are individuals in which we actually made a
17 mistake on the actual savings calculations, came
18 back, rectified those and actually then made
19 additional improvements so that those, quote/unquote,
20 savings will then actually be reached that final
21 year. So again, that's a lot of his, like Vince
22 mentioned, a lawyer contract talk. But our goal at
23 the end of the day is to make sure that doesn't
24 happen to arbitration. I will definitely get that
25 information for you and send it in an e-mail back.

1 MR. REVOLDT: Sorry to put you on the spot.

2 MR. THOMAS: No problem.

3 MR. REVOLDT: Just curious.

4 MR. THOMAS: It doesn't happen a lot, though,
5 I do know that.

6 MR. REVOLDT: You know you're on the record.
7 Careful.

8 MRS. WERREN: Glad you didn't make it up.

9 MR. LEHMAN: I can tell you this: When that
10 happens a lot on my jobs, I end up working at
11 McDonald's and saying, Do you want fries with that?

12 MRS. WERREN: Right. I would assume.

13 MR. LEHMAN: With ketchup.

14 MR. CERRETA: A couple things. I do find you
15 guys very capable in your service to the right
16 project and I want to commend the administration for
17 thinking out of the box. Okay. But I question
18 more -- not you folks, but the strategy of what we're
19 going through here and where we're headed down the
20 roads here with this here. Because we're going to go
21 into debt with this. This is a debt-type of thing.
22 And none of these things on this list need done right
23 now. There's not a thing on here that needs done
24 that can't be done over time. Even the sludge thing.
25 We've been saving for that, we can continue to save

1 for that. Changing light bulbs, all these things,
2 none of this stuff needs done. This isn't towards
3 you guys. I'm doing the strategy kind of thing here.
4 None of this stuff needs done. And if I was to take
5 this, this is community money. And if it was my
6 money and it was my home, sure, a guy comes over and
7 tells me I need windows, I'm going to save, you know,
8 and your pool out there, by the way, you could help
9 your pool, which mine looks like a lagoon, if I had
10 one, you can upgrade that at this time too. Now, am
11 I going to take a loan out right now and pay for all
12 of it at one time where I could pay for this stuff
13 because it's not needed all at one time.

14 So when I look at the -- I guess the logic of
15 what I fall back on is, why do these things need done
16 all of a sudden at one time, and why would we take
17 out a loan for \$3.2 million? Now the savings on here
18 seems really good, but the interest that we're going
19 to pay on this 3.2, what was it? 1.5 million, I
20 believe it is, \$2 million?

21 MR. FONTE: 1.2.

22 MR. CERRETA: And I don't know where that's
23 going. But and we want to build a service center at
24 the same time and take a loan out for that, too? So
25 where's our strategy with this thing in trying to get

1 to -- sure, it's a nice savings and these folks here
2 are terrific when it comes to something that is
3 really needed immediately. But that's kind of where
4 I'm at on this.

5 I think I mentioned it last time here that
6 there's a lot of things on here we can continue to
7 do, and I went down and talked to Mark today and I've
8 been at the sludge lagoon and I kind of got off base
9 here on all this sludge lagoon stuff. We have a
10 couple sludge lagoons. We have one in Kent, we have
11 one over in the Massillon area here, and, you know,
12 they're very similar to us. You can take a look at
13 what they did and kind of go through that. I don't
14 know what the cost is, that's something we could get,
15 and there's an area there which might be a high -- a
16 high-dollar volume thing that we could probably use
17 your services, in my opinion, down the road here, but
18 some of these other stuff here like windows, boiler,
19 chiller, we've been doing that for how many years?
20 Why are we changing all of a sudden to need someone
21 to tell us -- again, no offense here in any way --
22 need someone to tell us or go out and look and see
23 what other -- what other municipalities do this and
24 what their problems are and where should we go with
25 this.

1 So I know it's a different strategy and I
2 know we've got some good folks here that can handle
3 that, but, in my opinion, that's just too much to put
4 on the community money here going forward with this
5 kind of strategy.

6 MS. WILSON: One thing that I didn't mention
7 is in the legislation it's the debt does not impact
8 the city's net indebtedness. It doesn't impact your
9 ability to borrow. Because the legislation was
10 created because they know that this savings are going
11 to be there to pay it back. So it doesn't go against
12 your ability to borrow.

13 MR. FONTE: So that's where the net neutral
14 concept is? Like a dollar spent -- like basically in
15 the long run we're making things more efficient, but
16 like what Mark was saying, kind of like where I was
17 identifying with what he said, is over a 20-year span
18 at 2.8 percent amortized over 20, that's 1.2.
19 Although the savings that we have will wash that
20 away, I get that. That's what you're saying.

21 MS. WILSON: Right. Basically you're not
22 impact your existing budget. You're taking dollars
23 that you're spending, you're moving them over here to
24 upgrade items that maybe need upgraded in two years,
25 not today.

1 MR. FONTE: Right.

2 MS. WILSON: But you're preventing having to
3 pay for out of capital costs in two years when it
4 fails.

5 MR. FONTE: It's almost like if I had rental
6 property, hypothetically, and I brought in a thousand
7 dollars a month and my mortgage is 700 a month, you
8 know, I might be positive, possibly.

9 MS. WILSON: Correct.

10 MR. FONTE: Yeah. So I get that. So the
11 question is, do we spent 1.2 in interest to just get
12 it over with, take the pain and then accept the fact
13 that it's going to be a wash, maybe a net positive,
14 or do we phase it in over time based on what Mark's
15 scenario was. So the point is, is that I think this
16 is the right path to go as far as making these
17 upgrades that we need to do, I just -- I just
18 mentally have a hard time with financing anything.
19 Just the oldschool in me.

20 MS. WILSON: And there's flexibility in the
21 financing too. We bid out those rates. The city
22 doesn't have to finance all of it. Again, to reduce
23 your interest. Nobody wants to pay interest.

24 MR. FONTE: Correct. You know, like 20
25 years. How about five years?

1 MRS. WERREN: Pat has a comment.

2 MR. FONTE: Sorry, Pat. Will you present
3 that? I'm sorry.

4 MR. DEORIO: I just wanted to respond to try
5 to help you as far as the great questions that
6 Member Cerreta has brought up as far as the strategy
7 or whatever and why now and all that. You know, I
8 look at it as this is money that you are spending and
9 you will spend it every year except you're spending
10 it by giving it to American Electric Power. You're
11 spending it. We don't have to do these projects.
12 You're right. But that money is still being spent.
13 It's going to American Electric Power.

14 What this is about is taking advantage of
15 what the legislature has created to allow us to take
16 money that was going to go to AEP and direct it
17 towards principal and interest payments on this
18 project. So that it's a wash. So it's being very
19 effective with your capital monies that you're using,
20 money that you are spending on something else that
21 now you wouldn't have to spend. And they bring in an
22 element of a guarantee that comes with that. So that
23 if it falls short of the savings, they guarantee
24 that.

25 The strategy, too, is that, you know, and I

1 know I'm -- I'm just trying to give council
2 information that's -- I don't have a dog in this
3 race, okay. But this is, you know, they are -- I've
4 had other vendors come through here. They pitch
5 various things. They were the third one. And I
6 don't know -- even know how they got here, if it was
7 a cold call. They came up, who they talked to, but
8 they showed up in the door. I was doing two other
9 firms. Hey, why not. Allocate the personnel to show
10 them around and see what they could come up with.
11 And they had more to offer than some of the other
12 ones.

13 But the point of this is it's about business.
14 And I know that's kind of a mixed word in government,
15 but, you know, we do run a utility business. And at
16 some point we are going to be replacing, you know,
17 water lines again that have all gone in, need to be
18 replaced. Our enterprise fund has gone into debt to
19 pay for these water lines. That's a routine process.
20 And we use the income that comes from that to pay
21 those -- pay those bonds or notes off. And what
22 we're trying to do is to drive the cost of that
23 business operation down. That was part of the AMI
24 project. If we can -- if we can increase the
25 technology, which reduces the amount of water that

1 we're losing from lost water leaks out of the system,
2 we can't find it -- Mark does a great number getting
3 to be the best in an industry standard, but with this
4 process we can do more. It's not the person who goes
5 to Florida and leaves their home and comes back with
6 a \$5,000 water bill because we didn't know the water
7 was running. With the AMI project we're able to do
8 that.

9 In addition, it alleviates personnel because
10 we don't have to have meter readers running around
11 and we can allocate those resources to other
12 departments, so it makes it a leaner operation. This
13 sludge lagoon would do the same thing. Yeah, we
14 don't have to do it, but we would continue to pay in
15 excess of a hundred thousand dollars. We are bidding
16 this contract out again this year, and I -- it would
17 stand to reason that it's not going to come in less.
18 But we're going to continue to spend six figures a
19 year on this, and at some point we're going to have
20 six-figure, seven-figure water line deals that we're
21 going to have to do. I mean, this is what Canton has
22 gone through where, you know, a lot of the water
23 lines that they put in as they built out their city,
24 you know, you have to come back and address those
25 because they just reach a certain age and they fail.

1 So the idea was to try to bring down the
2 costs of our running that business enterprise, so to
3 speak, that also then relieves water customers of,
4 you know, having to pay for those higher costs
5 through a higher rate. The more we can do in that
6 regards, the better.

7 In respect to borrowing the money in another
8 way, saying we don't use this program that was
9 competitively bid out and we just go about our own
10 way and try to borrow the money, it would be my
11 understanding that in that process that would be a
12 debt that would be cost on our balance sheet because
13 it's not using this particular program that's been
14 sanctioned by the state or the state saying it's not
15 supposed to affect your balance sheet.

16 MR. FONTE: Hey, Pat, so, like, if you had a
17 million dollars in the bank and we didn't need it
18 because it's a CD or just part of our asset
19 allocation, couldn't we borrow against our own assets
20 and self-fund the project at a much lower interest
21 rate so we still get the job done and pay maybe
22 500,000 or 300,000 in interest. That way there, we
23 could use that savings to get more done quicker and
24 have less debt. That's how I would do it.

25 MR. DEORIO: That's really a question for the

1 director of finance. I'm not going to step into that
2 realm, and when she wants to address that she could
3 do that. But I want to go on to say that, you know,
4 I've been here a long time too. I used to serve on
5 the other side of that aisle and I was a person that,
6 even though I, you know, had a penchant to try to
7 save and everything, too, the bottom line is, the
8 money gets spent.

9 Show me where we're able to save up this
10 money. Show me that we're able to put this money
11 away today. And the seven of you are all very
12 responsible individuals and fiscally conservative and
13 I commend that. And you can put money away and you
14 can set it aside, and you know what? Someday you
15 won't be here. Someday it will be somebody else and
16 there will be that rainy day fund and it will get
17 raided and spent on something else. I've seen that
18 movie. It happened. We used to have a rainy day
19 fund, \$25 million back in the day when the Hoover
20 Company was way in its prime, but we spent that money
21 on roads, and on other improvements. And when you
22 don't have the money, it's hard to save the money.
23 You know, right now the mayor's done a great job
24 keeping the city's budgets in line and costs of
25 operations in line with where we were from 2008-'9

1 when Hoover, you know, left and all that.

2 But what if we have another downturn in the
3 economy and our -- our income tax goes down. We
4 might not be able to save money. That's the same at
5 your house. You know, real estate is moving, you
6 have more money to save. And when it isn't moving
7 you have to kind of cut your losses.

8 MR. FONTE: No, I get what you're saying.

9 MR. DEORIO: So I don't see -- I don't see
10 where you can't limit -- you can't prohibit a future
11 council from spending that money.

12 MR. FONTE: No, no. I'm with you. But I
13 just think there's a cleverer way to do, like
14 self-fund it.

15 MRS. WERREN: Well, so let's talk with Laura
16 later. You said it.

17 MR. FONTE: No, that's fine. We'll develop
18 the MSB and bring in the revenue.

19 MRS. WERREN: Sorry. One thing I guess I
20 like about this is, Mark, you even said, you know,
21 we've bought boilers before, we bought chillers.
22 Yes. And maybe it's the director of operations,
23 maybe it's the mayor, maybe it's Rob. We don't know
24 who bought those. And what we have found, since Pat
25 has been here and even I think with Rob doing some of

1 the projects, is things weren't always done
2 correctly. And now we are paying large prices to fix
3 this facility, to fix our infrastructure, to make
4 sure that we have security, to make sure certain
5 roads are being done appropriately. So if we have
6 people that manage this professionally, this is what
7 they do, we have the data that says they do it, they
8 do it well, they were voted number one.

9 Pat is a part-time sludge professor. I don't
10 even know what you are. Sludge professor
11 extraordinaire. But you learn as you go. But none
12 of us are those people. So I like having some
13 management. I mean, you're right. We could probably
14 have someone do it just like a contractor. You could
15 go build your own house and you don't have to sub it
16 out or you can sub it out and you can be the
17 contractor. It's a lot of money. People -- there's
18 no guarantees. There are change order fees all the
19 time. You can't predict weather. There's too many
20 different exponentials that you can't control where
21 they control that and then they're going to write us
22 a check. So I guess that's what I like is somebody
23 professional that knows what they're doing managing
24 those projects.

25 MR. FONTE: I agree.

1 MR. DEORIO: And to Dominic's point, he
2 brings up a good point if it's feasible to do that.

3 MRS. WERREN: I agree.

4 MR. DEORIO: But the other part of that is
5 the interest rate risks. And we talk about saving
6 for that rainy day. Let's say that this boiler
7 that's in this building is 50 years old and at some
8 point it goes. And if we have or haven't saved, and
9 we would have to finance at some point, what
10 happens -- what's the effect on the amount that
11 you're borrowing if interest rates are higher? I
12 mean, interest rates have been going up since 2015.

13 MRS. WERREN: I love his point. If there's a
14 road that doesn't need done and we can pay for that,
15 I mean, that makes sense.

16 MR. FONTE: I was saying, like what we're
17 talking about at sidebar here, was the water fund.
18 We spend a million dollars, \$2 million in the water
19 fund. And that's why I asked, they're working on a
20 five-year plan, so I just wanted to see, you know,
21 what is critical that needs to be done? Can we delay
22 a project for a year, because there's always those
23 emergency breaks; right? So if we delay a project
24 for a year, that's a million dollars we could put
25 towards that 2.2, right away finance a mill, lien it

1 against our own asset, and that brings your interest
2 rate down to like almost zero. So, and I've done
3 this many times before. It can be done. It's a
4 legitimate way to do it, it's a low-cost way to do
5 it, because we have the assets in our CDs and
6 everything. We can take a conservative approach. We
7 could even just use half of it, you know, so that
8 we -- the whole thing for me is I love all what
9 they're saying and I get it. I'm all for it. I'm
10 just not for financing it at 1.2 even though it's a
11 net neutral. Sorry. Sorry.

12 MS. BROWN: Can I ask a question? Best-case
13 scenario in a perfect world we could pay cash for
14 this. Could we still do your program and you would
15 still guarantee?

16 MS. WILSON: Yes.

17 MS. BROWN: And the savings would just be
18 even bigger?

19 MS. WILSON: Yes.

20 MR. FONTE: That's what I'm for. Cash.

21 MS. WILSON: Yes. You pay all of it in cash,
22 half of it in cash.

23 MS. BROWN: There could be a hybrid method.
24 Because what Dominic's talking about, he spoke with
25 Rob and I earlier today and Rob and I are working on

1 a five-year forecast for both the water and the sewer
2 fund through rate studies. It's just something you
3 need to do every so often. So if we look at the
4 water fund and we say, okay, you know, there's a
5 couple water lines coming up the next year and the
6 year after but they're not critical, we could push
7 those off. You know, it would only take, what? three
8 to four big water line projects to come up with
9 \$2.2 million.

10 MR. GRAHAM: The other thing, Vince, we
11 talked about in one of our previous meetings here,
12 you might lean on your experience with some of the
13 funding sources in addition to going to the banks for
14 a loan. You've worked with the sludge press, for
15 example, you could work with Ohio Water Development
16 Authority, Ohio EPA, FEMA or Water Pollution Control
17 Fund of Ohio, public works, grant for low-interest
18 loan, zero-interest loan. You are experienced with
19 that. The worst would be we can apply for those
20 versus they say we don't get it.

21 MR. LEHMAN: Absolutely.

22 MS. WILSON: Yeah. So -- so during the
23 development, during the next three months, we'll have
24 financial workshops. We'll work with the city to
25 figure out the right model, whether it's partially

1 financed or completely paid for with cash. We'll put
2 together -- we will help you apply for rebates, we
3 can apply for grants, we can look at low-interest
4 financing, low-interest loans. There's a lot of
5 options. We use 3.8 percent in the -- in the cash
6 flow model as kind of a worst-case. Likely scenario
7 is, is this feasible, but it's not the hard and fast
8 number.

9 MR. FONTE: No, I love what you're saying.
10 If we can figure out a way to cover more cash, less
11 financing, I'm in.

12 MS. WILSON: Yep. I understand.

13 MR. PETERS: Daryl, have you got something?

14 MR. REVOLDT: Yeah. When you did your model,
15 you used 3.8 percent over how many years?

16 MR. FONTE: 20.

17 MS. WILSON: 20.

18 MR. REVOLDT: What did you anticipate would
19 be the annual savings, roughly?

20 MR. LEHMAN: I don't remember off the top of
21 my head.

22 MS. WILSON: Gentlemen, it's two separate
23 cash flows because we're keeping them separate.

24 MR. DEORIO: One was enterprise fund, one was
25 not.

1 MR. REVOLDT: All right. Well, I was just,
2 you know, doing a little back of the napkin math. At
3 5 percent over the 15 years and the debt service at
4 5 percent at 2.2 million is only \$200,000 a year.
5 Over 15 years. 5 percent. So if we're going to save
6 a hundred --

7 MR. FONTE: 235. 235 a year would be our
8 annual cost for 20 years to take care of this. This
9 interest, you know, P and I, principal and interest.

10 MS. BROWN: That's for both. The water
11 and --

12 MR. FONTE: No, no. The 3.7 is 235, which is
13 20,000 a month. 19 and some change every month
14 because I did the math.

15 MS. WILSON: In savings.

16 MR. FONTE: Correct. But I'm just saying, so
17 if it's a net neutral, which is, you know, kind of
18 like what you're saying, the money spent in, money
19 spent out, goes to better benefit in the long run. I
20 just -- like I said, I'm good with all what you said,
21 it's just how we finance it. If we solve that
22 problem, I'm all in.

23 MR. PETERS: How does the mayor weigh in on
24 all this?

25 MR. FONTE: Yeah, Dave. How do you weigh in,

1 buddy?

2 MR. HELD: You know, as I'm listening to all
3 this -- first off, I appreciate the presentation you
4 folks give. Because the goal is we want to save. We
5 want to save on our -- there's three areas in the
6 presentation I see. The utilities, the electric, the
7 lights. Also the sludge press and then the utilities
8 in this particular building.

9 So the one thing, I couldn't really see the
10 slide from the angle that I was at. When you look at
11 the overall savings like over a 20-year period, what
12 would be the savings based on what we're spending
13 right now in our utility costs and then the
14 percentage? So it sounds like the savings are not
15 real clear in each specific area; right?

16 MS. WILSON: They are. They're just not
17 clear on this slide. I have to look at my cash flow.

18 MR. HELD: So when we -- so if we're looking
19 at -- let's say we're spending \$105,000 on hauling
20 the sludge right now.

21 MS. WILSON: Yeah.

22 MR. HELD: And then we're spending, what is
23 it? like 89,000 on the -- is that the electric that
24 was 89?

25 MS. WILSON: Go back.

1 MS. BROWN: That's street lighting.

2 MR. HELD: So city hall, right now we're
3 spending 61,000 on city hall and street lighting
4 we're spending 89,000 and the water treatment plant,
5 what does that say there?

6 MS. BROWN: 264. If you're in that red box.

7 MR. HELD: Okay. Now is that -- that's an
8 annual cost there?

9 MS. WILSON: Yes. Your annual utility cost
10 at the city hall building is \$61,000 in gas and
11 electric. Your annual cost of street lighting and
12 electric is \$89,000. The savings for the street
13 lighting is estimated at 16,000, almost 17,000,
14 annually.

15 The annual utility cost of the water
16 treatment plant is 264,000. Your savings, estimated,
17 at the water treatment plant is 140,000 annually.

18 MR. HELD: So annually, under this program
19 annually, what are we going to save as far as city
20 hall, and then what are we going to save as far as
21 the street lighting annually, and what are we going
22 to save as far as the water treatment plant annually.

23 MS. WILSON: That final call -- go ahead.

24 MR. LEHMAN: Bear in mind that these are
25 estimates.

1 MR. HELD: Right. I understand.

2 MR. LEHMAN: So what you're looking at is
3 you're looking at roughly around 20 percent savings.

4 MR. HELD: In each category?

5 MR. LEHMAN: No. Just in general. Like at
6 the city hall. So you're saving about 15,000 in
7 electric roughly for the city hall. You're saving
8 roughly 17,000 annually for the lighting and
9 electric.

10 MR. HELD: Do you say 17,000?

11 MS. WILSON: Street lighting.

12 MR. LEHMAN: The street lighting.

13 MR. HELD: So 17,000 in lighting.

14 MR. LEHMAN: Yeah. So you're looking at
15 somewhere around 32,000 in electric overall between
16 those two. Then for gas at city hall you're saving
17 about \$7,500 roughly.

18 MR. HELD: Annually?

19 MR. LEHMAN: Annually. Okay. And then for
20 the hauling of the sludge we're looking at about
21 \$140,000.

22 MR. HELD: So the big savings is the sludge?

23 MR. LEHMAN: Yes, it is.

24 MR. LEICHTAMER: May I add something to those
25 numbers really quick?

1 MR. HELD: Sure.

2 MR. LEICHTAMER: The only reason it's been
3 105 the last few years is because I can't get them
4 there to clean it out. I'm full to the gills most of
5 the time. I'm juggling. They can only get two pits
6 cleaned a year. It takes three months to fill a pit.
7 That's \$12.10 a yard to haul it out of there.
8 There's 4,500 yards in a pit. That's 54,000 and some
9 change every pit, and I fill up four a year. So the
10 actual spendage is more, but I can't get them there
11 often enough to haul it out.

12 MR. HELD: Getting it hauled away is the
13 problem.

14 MR. LEICHTAMER: Right. Because my windows
15 keep closing.

16 MR. HELD: So if you could get people to haul
17 it away in a timely manner --

18 MR. LEICHTAMER: I'd be spending 200,000.

19 MR. HELD: You'd be spending 200,000.

20 MR. LEICHTAMER: Minimum.

21 MR. HELD: And then -- so -- so really what
22 we're looking at, for city hall we're looking at
23 \$22,500, right, that's our expense?

24 MRS. WERREN: Dave, it's up there. Do you
25 see it?

1 MR. HELD: I can't see.

2 MS. WILSON: It's really tiny.

3 MR. LEHMAN: It's \$22,470 is what we're
4 estimating for gas and electric for city hall.

5 MR. HELD: Okay. And then -- and then you
6 have 32,000 for the street lighting; correct?

7 MR. LEHMAN: No, we have \$16,932 for the
8 street lighting. Almost \$17,000 a year.

9 MR. HELD: So we've got, like, for everything
10 but the -- but the lime sludge we have 30 -- 38,000.

11 MR. LEHMAN: Yes. Almost -- about 39. But
12 yes.

13 MR. HELD: Yeah. So really, the biggest cost
14 is the lime sludge, but that's one of the things when
15 you're -- when you're talking about the savings,
16 that's what we're after; right?

17 MR. LEHMAN: Correct.

18 MR. HELD: So we don't know what the market
19 value of the sludge is. So it could be -- it could
20 be we could sell it, we could give it away, or we may
21 have to pay to haul it away.

22 MR. LEHMAN: Well, what this is assuming at
23 the 140,000 is you're giving it away and you're
24 paying a small fee to haul it. That's basically in a
25 nutshell.

1 MR. HELD: And one of the things I noted, as
2 far as the guarantee, which I think is a nice thing,
3 but one of the questions I have, you look at the yard
4 waste market, we used to collect and get 15 bucks a
5 ton, you know. We were paid. It was no cost to haul
6 it away. Now we're, you know, paying to give it
7 away. So those are just -- I'm hearing some of the
8 questions that you guys can't really answer right
9 now.

10 MR. LEHMAN: Right.

11 MR. HELD: Because it's just about a month.

12 MR. DEORIO: So before you answer, I want to
13 help just reiterate, though, that if we did this
14 project you'd be providing the sludge in a more
15 useable form. So there's -- not everybody has the
16 type of equipment that can spread the sludge in its
17 liquid form out onto the fields. That's a more
18 specific operation. But the type that can take this
19 pelletized stuff and get it out in the fields --

20 MR. LEICHTAMER: We're also allowed to
21 stockpile it at that point. You'll see the farmers
22 with stagnant fields out there because you don't have
23 the water in it to run off and contaminate streams
24 and so you can stockpile it at that point.

25 MR. HELD: It's a much better product.

1 MR. LEICHTAMER: It's a much better form than
2 trying to get rid of the product.

3 MR. HELD: It's a much better --

4 MR. LEICHTAMER: It's much healthier.

5 MR. LEHMAN: Absolutely. And the bottom line
6 is that we're predicting these savings. Like I said,
7 we're in the preliminary stage. So everything we're
8 doing is at a conservative nature. Typically when I
9 come in and I project things like this I'm projecting
10 them at the -- I guess the worst-case scenario.
11 Typically I come in at or above when I come to the
12 finals on what the savings are. So what you're
13 looking at now should be a worst-case scenario on the
14 savings.

15 MR. FONTE: Awesome.

16 MR. HELD: That's all my questions. Thank
17 you.

18 MS. WILSON: Thank you, guys. Anything else?

19 MR. PETERS: Anything else? Council?

20 MR. THOMAS: One thing, final thing I want to
21 say, too, as Vince mentioned, they're very
22 conservative. So even with the financing, that is
23 conservative as well. Assuming that the current
24 rates are where they are. The good things about this
25 project is that, because there's a company like a

1 Johnson Controls, even though we're local, we have
2 the backing of a \$40 million company. The savings
3 that we generate are pretty true, pretty -- you can
4 pretty much attain them. Which means that this debt
5 is loved by different lenders. We're not a bank.
6 But a lot of lenders like it because they consider it
7 to be self-liquidating debt. So realistically what
8 you're going to transpire is you'll have an interest
9 rate, and then doing a project like this you get a
10 lower interest rate. Okay? But again, for like
11 Vince said, we're trying to be very, very
12 conservative, looking more at the 1.2 at almost
13 4 percent interest rate at current rates today. So
14 realistically, if this thing comes out after our
15 development, it might actually be, instead of 20
16 years, it could be 17 years.

17 MR. FONTE: Is that a fixed rate?

18 MR. THOMAS: I'm sorry?

19 MR. FONTE: Fixed rate amortized over
20 whatever the term?

21 MR. THOMAS: It would be a fixed rate,
22 correct. And we have a structural -- a structural
23 finance team that would work together with Laura and
24 everybody else to make sure that the best way, as you
25 said, Mr. Fonte, would be obtained.

1 MR. FONTE: Thank you. I got all the
2 information I need.

3 MR. THOMAS: Mr. Cerreta, is that better?

4 MR. CERRETA: It's not about what you guys
5 are doing. It's the strategy of what we're taking.
6 So I don't want you to be offended in any way by the
7 comments that I think that the way we should be going
8 about this thing. Because we have a lot of things
9 that need done and lot of these things don't need
10 done tomorrow. They can -- we budget this stuff
11 every year, just like we do every year, we can easily
12 do that. And I think you guys', your services are
13 very valuable for some things that we will probably
14 need. So I appreciate the presentation.

15 MS. WILSON: Thank you.

16 MR. LEHMAN: Before we take off, if I could
17 ask just one question. I want to make sure before we
18 leave that we've answered any of the questions that
19 you have. Is there anything else that might be out
20 there that --

21 MR. HELD: Just one other question because I
22 was writing this down. What did you have annually
23 for this sludge cost? Was it one --

24 MR. LEHMAN: 140,000.

25 MR. HELD: 140. Okay. And that, again,

1 varies because right now we're spending 105 because
2 we can't get people to haul it away. But if we did,
3 if we did have people hauling it away in a timely
4 manner we could be spending 200.

5 MR. LEICHTAMER: Yes.

6 MR. FOLTZ: Could we get a hard copy of the
7 presentation? That way we can look it over again.
8 Thank you.

9 MR. LEHMAN: Yeah, we can do that.

10 MR. PETERS: Thank you, guys.

11 MRS. WERREN: We're good.

12 MR. FONTE: Thanks for the information.

13 MR. PETERS: Next up, we have Community and
14 Economic Development. Chairman Kiesling.

15 MS. KIESLING: Yes. Looks like, Patrick, you
16 have a PowerPoint? Pat? Yes. No?

17 MR. DEORIO: Which one are we doing? The
18 zoning? I gave it to Laura.

19 MS. KIESLING: Okay.

20 MR. DEORIO: Laura is going to load it up.
21 It's up on the screen now, as you see.

22 MS. KIESLING: I see.

23 MR. DEORIO: If you don't mind, I'm going to
24 swing around over here.

25 So this was a matter that went to the

1 planning commission, as you recall. Just as a
2 backdrop, there is a homeowner on -- in the
3 Hower-Witwer neighborhoods that would like to sell
4 their house and they would love to sell it so that
5 somebody could live in it, but because of the way
6 it's zoned it restricts its use. So planning
7 commission, we presented all the properties over
8 there that could be affected, and they made a
9 recommendation to city council to consider changing
10 the zoning. And they recommended an R2F with a mixed
11 overlay. So it allows somebody to live there, but if
12 they didn't want to live there and they wanted to use
13 it in that mixed use classification, they could.

14 So what I did is I went over and took
15 pictures of all the properties, and we're going to
16 hit the first slide here. And then what you see in
17 yellow is some of the information. For instance, the
18 parcel numbers, the registered owner of the property,
19 it's a two-family. So presently it's zoned light
20 industrial and action is needed on this property. So
21 we are -- recommendations from the planning
22 commission was to change it to an R-2F for both
23 parcels. So there's a vacant parcel next to it and
24 then the parcel that this two-family dwelling is on.

25 Hower Street, this is a lot that they're

1 building an outbuilding in the back of it. It's
2 owned by K & L Partners. It's presently zoned as
3 industrial -- light industrial, but it does not have
4 the mixed use overlay with it. So to be consistent
5 with all the other light industrial that we have
6 throughout the entire Hoover District project, this
7 would need an overlay X on that parcel.

8 Another vacant piece here. You recognize
9 it's on the back side of our fire station. It's
10 zoned light industrial. It just needs a mixed use
11 overlay.

12 This one on 362 Hower, it is action needed as
13 a mixed use overlay and changed to an R2F.

14 This one here, vacant land next to this
15 property owned by the homeowner needs to be a mixed
16 use overlay, R2F.

17 This one the same, R2F, mixed use overlay is
18 the action needed.

19 This one presently is an office building.
20 The only action needed is the mixed use overlay.

21 On this home, it's two-family. It needs to
22 be R2F, mixed use overlay.

23 Likewise here at 332 Hower, R2F, mixed use
24 overlay.

25 326 Hower, R2F, mixed use overlay.

1 322 Hower, mixed use overlay only needed.

2 On this one here, no action is needed to
3 change it from light industrial, it just needs the
4 mixed use overlay.

5 On this property here, no action is needed.
6 It is owned by Maple Street Commerce. It is light
7 industrial and has the mixed use overlay, so no
8 action is needed at 357 Witwer.

9 This one here, Maple Street Commerce, it
10 needs the mixed use overlay.

11 And then likewise on this one also owned by
12 Maple Street Commerce.

13 This empty parcel next to the last house we
14 looked at does not need any action. It is light
15 industrial with a mixed use overlay.

16 That was it. So you get an a idea of that,
17 what properties need a little tweak with just the
18 mixed use overlay X, others need to be changed from
19 light industrial to the R2F. Again, the intent is to
20 allow people to be able to sell their home, and one
21 of these properties the house is for sale, offer's
22 been pending, trying to get this thing wrapped up.

23 MR. PETERS: Thanks, Patrick.

24 MS. KIESLING: Anybody have any questions?

25 It is something we spoke about when The

1 Hoover Company left and, you know, people started
2 moving into the building that homes around it were
3 going to be seriously affected and they may want to
4 leave. And this would be the best way for them to do
5 that.

6 MR. DEORIO: And the purpose of this tonight
7 is just to give you the information, give you the
8 visuals so that you can see that, because you still
9 have a public hearing that you have to do on May 13,
10 but I didn't want you to go into the public meeting
11 and not have an understanding of kind of what was
12 behind this.

13 MS. KIESLING: That helped a lot, yeah. That
14 was great.

15 Any questions? We can put it on the agenda
16 to give it its first reading May 13. Or is that
17 committee meeting? That's city council.

18 MRS. WERREN: We'll have the public hearing
19 at 6:30?

20 MS. BROWN: Can I ask a question? I think
21 what came out of planning, there were some things
22 that didn't need to be added to the list, so do we
23 have a complete list of what we do need?

24 MR. DEORIO: Yeah. What you have is the
25 complete list and there were three properties that

1 was no action was needed, and those were identified.

2 MS. BROWN: Thank you. We can work on that.

3 MR. REVOLDT: Could we have a map attached to
4 the legislation as part of the record?

5 MR. DEORIO: Yeah. I can say that, you know,
6 we've identified these properties by their parcel
7 number. I think that would probably be more accurate
8 because I can't attest to the accuracy of the map.
9 So if you want just a geographic map of where these
10 properties are located, but if you want the zoning
11 map on it --

12 MR. CERRETA: Just an overview of the
13 auditor's website with the zoned parcels, that's
14 easy.

15 MR. REVOLDT: That will work.

16 MR. DEORIO: Okay. Sure.

17 MR. PETERS: Okay.

18 MS. KIESLING: Okay. I think that's good on
19 that.

20 Okay. Next up is the recommendation that we
21 change the word of "public" hearing to "adjudication"
22 hearing for our planning commission, and the next one
23 is for zoning board of appeals. Anybody -- I think
24 we -- we've been doing this for probably a year and a
25 half, if not two years, having people sworn in,

1 making sure that they're giving facts, not opinions,
2 because that's what really matters if it does get
3 sent to a court of law, correct, Tim, if you want to
4 add to it.

5 MR. FOX: That's correct. Our trial courts,
6 which is our common pleas court and the -- all of our
7 courts of appeals require, as you said for the first
8 one, for variances, and that's in 1179.10, we're
9 simply replacing "public" hearing with "adjudication"
10 hearing, making clear what that means. Essentially
11 the courts state that variances, and as in the second
12 one, conditional use permits, are valuable property
13 rights and are very distinctive. Much different than
14 changing zoning here where you're talking about quite
15 a number of parcels. Where you're changing zoning,
16 you absolutely want the public input. So you have a
17 public hearing where the public is invited to come
18 and speak their -- their -- voice their concerns
19 about any change in zoning.

20 When you're dealing with variances and
21 conditional use permits, those are really unique.
22 They're essentially confined to a parcel or two, if
23 that. And the courts have said that to change those
24 valuable property rights that it requires that an
25 adjudicated hearing be held for conditional use

1 permits and for variances. And those are situations
2 where witnesses are sworn in, they're subject to
3 cross-examination and documents are authenticated.
4 So that should the court receive an appeal from the
5 award or denial of a conditional use or a variance,
6 the court has the clean record from which to view
7 that to give its opinion of whether or not the
8 decision of the zoning board of appeals or the
9 planning commission, whether its decision was based
10 on sound evidence.

11 The third one is tied in there as well, and
12 it simply clarifies -- the way that that was codified
13 when you look at it in our -- our ordinances, it
14 appears as though city council takes recommendation
15 from the planning commission for a conditional use
16 and a similar use, when indeed it's only for a
17 similar use, because a similar use is a change in
18 zoning where you would want a -- a public hearing.
19 And so we wanted to clarify both in the title where
20 it just simply says "action by council," we want that
21 to be clear that it's action by council for a similar
22 use recommendation.

23 And the second item is in that 1177.10
24 there's Paragraph B-1 where it states where if
25 council confirms a recommendation of the planning

1 commission it simply requires a majority vote. But
2 if council rejects the recommendation of the planning
3 commission it shall not be overruled by not less than
4 six votes. And we have not been following that.

5 It hasn't been an issue because it hasn't
6 been that close, but we've not been following that
7 but it's been recommended for change because in our
8 charter in Section 2.05, Legislative Procedure, it
9 states that -- let me make sure I get it right. It's
10 one, two, three, four -- the first sentence of the
11 fifth paragraph of 2.05. "An affirmative vote of at
12 least four members of council shall be required for
13 the enactment of every resolution or ordinance unless
14 a larger number be required by the provisions of this
15 charter." Now, the charter only requires the six
16 members of council for emergency action. Nowhere in
17 our charter does it mention an overriding
18 recommendation from the planning commission. And
19 since our charter doesn't address it, then this
20 ordinance that requires the six votes to overrule the
21 planning commission is in conflict. And so the
22 charter would take the lead on that. And so my
23 recommendation is simply to remove that section with
24 the B-1 and 2. It simply is a simple majority to
25 overrule or to accept a planning commission

1 recommendation.

2 MR. FONTE: Okay. Awesome.

3 MS. KIESLING: Go ahead, Daryl.

4 MR. REVOLDT: Tim, I -- you and I swapped
5 some e-mail today on this. I think we also need to
6 look at 1181.08, Zoning Amendments, which also
7 establishes if planning commission rejects a proposed
8 amendment, five -- five council votes are needed to
9 pass it.

10 MR. FOX: Correct.

11 MR. REVOLDT: So we should probably revisit
12 that as well to bring it into line with the charter.

13 MR. FOX: Indeed. That's very timely that --
14 that you mention that because our -- our good friends
15 in the building department at SafeBuilt were
16 challenged to look through our planning and zoning
17 ordinances and for -- for it to put together any
18 amendments that it thinks are necessary. And one of
19 those kind of runs through because we changed the
20 name of an important official in the building
21 department from the superintendent of permits and
22 economic development is now the chief building
23 officer, so that's quite a number of changes. But
24 there are some substantive ones that it has
25 recommended and provided to the administration and my

1 office, approximately 50 changes that are -- most of
2 them are just very minor but some are more specific
3 in addressing which building codes that we adopt.
4 And so over the next few months we'll see quite a few
5 of these.

6 MR. FONTE: Okay.

7 MR. REVOLDT: So I guess what I'm asking is
8 that our next council of the whole meeting Marcia
9 could have under her committee 1181.08.

10 MR. FOX: Yes, sir.

11 MR. REVOLDT: And we'll just clean all these
12 up.

13 MR. FOX: Clean all these four at once and
14 then we'll eat away at that apple of the others.
15 Take the most important ones first, and the easier
16 ones, and get through those. Because all of them,
17 because they're in planning and zoning, is a
18 requirement to send a recommendation to planning to
19 come back.

20 MS. KIESLING: Yeah.

21 MR. FOX: To public meeting.

22 MS. KIESLING: Okay. Are we okay if we put
23 it on the agenda?

24 Okay. And last on my committee is the
25 proposal for economic zoning proposed diagnostic and

1 potential rewrite. As you recall -- I thought you
2 were going to sneeze -- we spoke in length when we
3 were deciding how we're going to do the Main Street
4 District and had to stop doing that, came back, and
5 the Calfee people were helping us with all that. And
6 as they were helping us, they were looking at all our
7 zoning codes and laws and thought, wow, you guys
8 really probably need a whole new rewrite, or just let
9 us look at it. And they looked at it, and they have
10 given us a proposal as to helping us to sort of
11 rework it and make it a little more intuitive, a
12 little more friendly. Right now it really lists,
13 like, everything you can't do. You want to be a
14 little more happy and say everything you can do.

15 MRS. WERREN: Start with the positive?

16 MS. KIESLING: Because we don't do that right
17 now. So this is a three-part proposal. Patrick's
18 been working with them very closely, and I'll let him
19 go ahead and explain it. But you have it in your
20 packet.

21 MR. DEORIO: Yeah. And basically we had
22 started this a year ago with Marcia, Dominic and
23 Daryl and the chamber talking with their
24 businesspeople, their patrons, figuring out all the
25 things we already know that we don't like plus all

1 the other things that we found that are objectionable
2 as well. And so as you recall, Calfee, they're one
3 of the leaders in the state that are in this realm
4 exclusively.

5 And in talking with them about it, they were
6 showcasing some of the projects they have been doing
7 in other communities and the focus that those
8 communities are applying to their zoning, and they --
9 he outlined basically three general principles: the
10 zoning should respect the existing and reflect
11 desired development patterns. Zoning should regulate
12 only what actually needs to be regulated and focus on
13 desired outcomes. And zoning should be the
14 implementation of a plan, not a barrier to achieving
15 vision.

16 So you kind of get the idea of where we're
17 going. And most of this stuff that we have, of
18 course, dates back to the incorporation of our
19 community and we've made changes along the way and
20 stuff, but like Tim just outlined tonight, we didn't
21 know about a year ago but we know now and we're
22 just -- we're finding things as we've been working
23 with businesses coming into the community, I found a
24 number of stoppers that have been placed on trying to
25 locate a business on Main Street. And, you know, in

1 spite of the efforts that all of you have done to try
2 to get that, that process completed, it was
3 determined by the consultant that implementation of
4 the map would have created what it was laid out in
5 writing to do, which is a separate district, not an
6 overlay. And the zoning would have been more
7 restrictive on Main Street.

8 So rather than go through and try to
9 piecemeal it all together, and talking with Member
10 Fonte just this past week on other businesses and
11 trying to coming in and it just doesn't work, that we
12 engage in this process. So the materials that we
13 e-mailed to you indicated a three-part process. But,
14 you know, I try to be -- you know, make sure that
15 we -- that the funds that we're expending get the
16 desired outcome that we're looking for. So I tend to
17 break it up into smaller chunks to make sure that at
18 the end of the road we're okay with going to the next
19 step.

20 So that's what we're proposing here is to do
21 the diagnosis and give us an evaluation of what we
22 need to do to fix it. Let's see what we come up
23 with. This would involve a lot of meetings with
24 community stakeholders, with the council, the mayor,
25 new business interests on Main Street, whatnot, to

1 come up with what's your -- what's the gripes. What
2 are the issues that we have to resolve. And then
3 throwing that all into a hodgepodge or white board,
4 coming up with that, and then bringing that back.
5 It's about a six- to nine-month process to get to
6 there. And then when we have that, okay, what do we
7 want to do now? Do these make sense? Do we want to
8 implement them? And then if we want to implement
9 them then we can go to the next step.

10 So I felt that this was a good way to
11 minimize the amount we expend as a matter that we
12 have budgeted for. We've been working on this, like
13 I said, for over a year. We worked that into the
14 budget for 2019. Funds are available. It's just a
15 matter of whether the council wants to go ahead and
16 try to implement the vision that they have been
17 working on.

18 MRS. WERREN: I like it.

19 MR. CERRETA: So are these the fees you're
20 actually proposing that are in the draft? Or is this
21 something --

22 MR. DEORIO: It's 60,000.

23 MS. KIESLING: Yes. For the first two
24 phases, it's 60,000.

25 MR. FONTE: Pat, so I've had the

1 conversations with some of the citizens wondering if
2 we're on, we're off, we're on, we're off, we're on,
3 we're off with MSB. And so what I was trying to
4 explain is like what we were just talking about, is
5 that the MSB is sort of like a band-aid approach over
6 the big issue. Now we're looking at different kinds
7 of job entities moving into the city. So doing the
8 total rewrite, even though it's going to now stretch
9 it out another six, nine, 12 months, which I really
10 don't like because the Main Street corridor is my
11 priority right now, right? So there's no way to
12 speed up because of the stakeholders, public meetings
13 and all that; correct?

14 MR. DEORIO: No, I think there's room for
15 acceleration without sacrificing quality. They have
16 done a number of these in communities. They think
17 how many weeks in between meetings. But to the
18 extent that we can pull it together quicker and get
19 stakeholders to respond quicker and they can provide
20 that input.

21 MR. FONTE: I think that's a smart plan to do
22 it right once and for all, hopefully, and I just
23 would see, you know, since they do this as a
24 boilerplate tweaking it to the North Canton brand,
25 you know, I would just see, in my opinion, a lot of

1 the problems with revenue is based on Hoover sitting
2 empty and Main Street corridor not live. So, in my
3 opinion, that's what I feel is a big sense of urgency
4 to help with the revenue and also the missing link
5 that we have in the city, in my personal opinion.

6 MR. DEORIO: And we were fortunate -- Miss
7 Farina and I were fortunate to attend an Ohio
8 development conference in which we were able to meet
9 with a lot of our peers and other communities
10 throughout Ohio and listen to what the experts in the
11 field and how they approach coming into a community,
12 what they look for. And, you know, before they even
13 talk to you, you know, they're looking at a number of
14 things. And one of them is this zoning code.

15 So, you know, to some of the points that a
16 few of the residents have made at these meetings
17 about, you know, consolidating a district or
18 consolidating parcels into larger parcels, that's
19 great, we would like to do that. But what is it at
20 the end when you have the bigger parcel that you want
21 to put in? If the zoning is too convoluted to
22 understand what you're able to do, they move on with
23 those monies. It's all about the return on
24 investment, how much time they have to put into it to
25 get to where they want to go. And we just get passed

1 over. And I think this is a way to change that
2 narrative that you guys have been working on.

3 MR. REVOLDT: I think what Sean indicated
4 was, in having sat through a couple of these
5 iterations in the past, what we got in terms of our
6 zoning language was cookie cutter. Everybody's
7 got -- around northeast Ohio has the same language.
8 It just simply doesn't serve us. What Sean's going
9 to try to do is, to your point, is to get us to
10 language that allows people to come in and get
11 creative and don't serve as an encumbrance to
12 development but as a facilitator.

13 MR. PETERS: Absolutely.

14 MRS. WERREN: Patrick, didn't you also, when
15 we were talking about this, say this could help
16 eliminate the issues that we've had with planning and
17 zoning meetings in that many of the clients, they
18 don't ever have to go because it's already so cut out
19 that they're doing it correctly to begin with.
20 That's the future to me.

21 MR. DEORIO: That's a result of what they
22 have been seeing around Ohio where this process has
23 been going on is saying, What can be done? What's
24 the yes that we don't need to get the approval for
25 it. Whatever it is that this council and the mayor

1 decide that that's what they want, then we can just
2 write it up that way. It saves a lot of that
3 aggravation, and aggravation equals time and time
4 equals money and that all leads to development.

5 MR. PETERS: That's being business friendly.

6 MS. KIESLING: Exactly. Yes.

7 MR. FONTE: When you have people looking to
8 work here, contractors, builders, people that want to
9 move their businesses here and pay 1 1/2 percent
10 income tax, I can tell you right now we have a
11 reputation issue that we have to correct. And
12 hopefully SafeBuilt can do it. We've had
13 conversations with them, and we just have to make
14 sure that, unfortunately, perception is reality out
15 there. And I've been hearing for a long time -- Mark
16 knows what I'm talking about, we just had this
17 conversation with a customer the other day -- we want
18 to figure out how to fix that, make it user friendly,
19 make it cost effective, make it efficient, quick and
20 easy. Because like a lot of times, you know, when
21 you have projects you're doing it's weather
22 prohibited because if you're laying concrete or
23 building something you don't have three or four days
24 to get the answer. You got to speed up the process.
25 So I know with the iPads and what we were talking

1 about they're in the process of that. I just wanted
2 to see maybe eventually we can talk and figure out,
3 guys, you know, how we're doing with builders, the
4 perception to reality. Are we solving a lot of these
5 bad problems that we've struggled with for many,
6 many, many years.

7 MR. PETERS: Mayor?

8 MR. HELD: When you look at the zoning, I
9 think zoning historically it's really probably one of
10 the most important areas that we have in the city
11 because it determines how we utilize our property for
12 economic development, whether it's residential,
13 commercial or industrial. And as Patrick had said,
14 and for those of you that have been around for a long
15 time, we went through the update of the zoning code,
16 which is not an easy thing. And what the -- what
17 this specialist will give us is that we don't want
18 any unintended consequences. So, you know, we solve
19 one problem, and through all of our experience we
20 say, well, that's great. We should implement that.
21 Then we don't realize that we just solved one
22 problem, created five more problems. So what they do
23 is they'll say, hey, this is what other communities
24 have done and this has been the result of those
25 zoning codes that were passed. Because you see

1 some -- some communities are, you know, they're
2 thriving as far as their growth because they make it
3 more user friendly for the developers and property
4 owners.

5 I think the challenges we've had here,
6 they're really twofold. Number -- and I think we've
7 solved the first one with our -- with our new
8 partnership. Is that we were lacking in technology
9 and managing information under our outdated zoning
10 rules. But we've done a good job with that. The
11 problem is we're still operating under old rules that
12 need changed.

13 MRS. WERREN: Yeah.

14 MR. HELD: So we've become more efficient in
15 enforcing rules, as Dominic, as you're saying, that
16 we need to change. That's what this company --

17 MS. KIESLING: All right. One question for
18 the seven of us. Is it okay -- do you need it on
19 emergency? Would that help you? Could we put
20 emergency clause in and give it two readings? Where
21 are you at?

22 MR. HELD: Two readings.

23 MR. DEORIO: Whatever the council would
24 prefer.

25 MR. REVOLDT: Backdrop to this is that we've

1 got percolating this downtown redevelopment district
2 that's coming along and will be before us soon. I
3 think it would be helpful if we had both of these
4 completed simultaneously or as near simultaneously as
5 possible. So to answer your question, let's do this.
6 Let's get them started.

7 MS. KIESLING: Yes, that would be great.

8 MR. REVOLDT: I think we're also going to
9 want to have some opportunities to weigh in with
10 Sean.

11 MR. DEORIO: And that matter is coming to the
12 council on May 20. I'm trying to space out some of
13 the bigger topics so you don't get hit so hard in one
14 night. That's too much to comprehend.

15 MS. KIESLING: And remember, the slowest part
16 of this is it's going to have to go to planning, have
17 a public hearing set, have a meeting, it's going to
18 come back to us, have a public hearing set. So
19 Calfee will probably get it done super quick. It's
20 going to be our process that's really going to take
21 awhile.

22 MR. FONTE: So the DRD, which is the downtown
23 redevelopment district, to help make it more
24 attractive for businesses, manufacturing, whatever to
25 come to the area, but on top of that, are we looking

1 at the entertainment district yet or is that
2 something as an overlay to the rest of it?

3 MR. DEORIO: All in due time.

4 MR. FONTE: I'm excited.

5 MS. KIESLING: We're doing this tonight. I'm
6 good.

7 MR. HELD: Tomorrow.

8 MR. FONTE: We've waited for a year already.
9 Let's just get --

10 MS. KIESLING: That's the end of my
11 committee. Moving on. Let's go.

12 MR. HELD: You've got to move faster than
13 that.

14 MR. PETERS: All right. Okay.

15 MRS. WERREN: Good, Marcia.

16 MR. PETERS: Next up, Ordinance, Rules,
17 Claims. Chairman Revoldt.

18 MR. REVOLDT: I'd like the record to note
19 that Mr. Foltz is absolutely giddy.

20 MR. FOLTZ: Talk about waiting.

21 MS. KIESLING: Yeah, forever.

22 MR. FOLTZ: Waiting for what? Do we have to
23 recuse --

24 MR. PETERS: Let the record reflect Members
25 Peters and Fonte will be stepping out during this

1 conversation.

2 MR. FONTE: With 30 years' experience.

3 (Members Peter and Fonte not present.)

4 MR. REVOLDT: You have in your packets a
5 draft of the rental registration. I'm not proposing
6 that we take action this evening. This is for
7 comment only. If you have comments regarding
8 anything you would like to see in it or deleted, Tim
9 has promised to take excellent notes. If you're
10 looking at it, what I'd like to do is kick off, Tim,
11 by reiterating a couple of things that I mentioned
12 today.

13 The first being I'd like a stronger reference
14 to a fire and smoke detector inspection as part of
15 that process. I think we don't want to ignore the
16 public safety element if we're going to be inspecting
17 rental units. And the second is I'd like to have a
18 little closer alignment between in Section A, which
19 is the required where it says "any building or unit"
20 and a little better language than in 1702.05 where we
21 talk about one-, two-, three-rental units but I think
22 we need something beyond that. Whatever the formula
23 is. I guess maybe I wasn't clear, I needed a third
24 cup of coffee, but I'd like to make sure that we were
25 looking at large complexes as well and that we have a

1 formula --

2 MRS. WERREN: Pat said no.

3 MR. REVOLDT: -- to deal with those.

4 MR. DEORIO: This was -- you're certainly
5 welcome to change it, but just so you know, the
6 parameters we were under putting this together was
7 one-, two- and three-family rental units. We're
8 going to break in with that and not --

9 MR. REVOLDT: Okay.

10 MR. DEORIO: -- and not jump into the four
11 and up, which is going to put us into a workload
12 issue.

13 MR. REVOLDT: All right. I will accept that.

14 MR. DEORIO: And I don't know --

15 MRS. WERREN: Let's start with that.

16 MR. REVOLDT: I'll start with that. I'll be
17 pragmatic, Mr. DeOrio.

18 MR. DEORIO: I wasn't sure if the chairman
19 was aware that John Cheatam from SafeBuilt, who is
20 regional manager from SafeBuilt is here this evening
21 to talk about this and to help answer some of those
22 questions.

23 MR. REVOLDT: We're happy to have him.

24 MR. FOLTZ: Yeah. Thank you. Come on up.

25 MR. REVOLDT: Come on up.

1 MR. CHEATAM: So I'm basically here to answer
2 your questions. What I did, I've put some of these
3 together before for other communities. And I did, in
4 conjunction with what Pat, Tim, several others in the
5 administration have requested, I addressed only one-,
6 two-, three-family for now and then knowing that four
7 and up will come later, possibly the first of next
8 year. And what I did was I took language that's in
9 similar communities and this is, what? maybe the
10 third or fourth draft to get to this point? and I
11 started out with language that was in similar
12 communities to you and then kind of customized it to
13 their questions, their concerns to where I finally
14 came up with the draft that they felt was something
15 that wouldn't cause heartburn and that would address
16 the issue of life, safety and safe and sanitary
17 rental units, okay?

18 MR. REVOLDT: I mean, I didn't have any --
19 aside from that, those were the only two comments I
20 had.

21 MR. CHEATAM: So the smoke and fire --

22 MR. REVOLDT: The purpose --

23 MR. CHEATAM: You wanted that to be a little
24 more --

25 MR. REVOLDT: Pronounced.

1 MR. CHEATAM: -- pronounced. Okay. So I
2 made a note of that.

3 And then what was your comment on the
4 building or unit and then --

5 MR. REVOLDT: Well, it's been clarified.
6 Patrick clarified it for me because we're only
7 dealing with one, two, and three, and if we're coming
8 back then, that's fine.

9 MR. CHEATAM: Okay.

10 MRS. WERREN: And the fees are in line with
11 other communities our size?

12 MR. CHEATAM: Yeah. Actually, I think your
13 fees are actually a little on the lower side.

14 MRS. WERREN: Okay.

15 MR. CHEATAM: But we discussed that at length
16 and decided to start a little low and then if later
17 you want to do a fee increase a year or two, five
18 years down the road, you may.

19 MRS. WERREN: Okay.

20 MR. CHEATAM: But they're a little lower.

21 Yes, sir?

22 MR. CERRETA: When you're talking about fees,
23 who are you comparing it to?

24 MR. CHEATAM: I actually compared it to a
25 number of communities. I looked through -- I got on

1 the ordinances of a lot of cities. So I got some in
2 the Stark County area, I got some in -- in more down
3 toward Dublin, that area of metro Columbus. Some in
4 metro Cleveland. So I cannot tell you specifically
5 that I looked up Maple Heights or Hudson or Dublin or
6 Oberlin, but I just looked at a lot, got a consensus
7 that here's the window. You know, on the low side
8 50, on the high side 250 for a single-family. And
9 then, you know, I put you in and then Pat said why
10 don't you lower just a little more. And so we got to
11 where we're at today.

12 MR. CERRETA: Because when I looked at this,
13 I think it's high. But I want to know what the
14 purpose of that is. Are we here to make money on it
15 or are we here to look at these to be safe and
16 inspect? And when I start looking at fees that are
17 high, 50 bucks, a hundred seems easy, anybody would
18 want to register. But when you start getting up
19 there into higher fees, then that's when the
20 renters start -- the landlords and all that really
21 start putting up their arms and everything. So
22 what's the purpose? I think getting back to all
23 this, what we're doing this for. I think that's what
24 we're going to get asked.

25 MRS. WERREN: You did.

1 MR. PETERS: Don't worry.

2 MR. CHEATAM: On the page under Purpose (B),
3 do you have that in front of you?

4 MR. CERRETA: Yeah.

5 MR. CHEATAM: Okay. The purpose is, it is
6 the intent of the North Canton city council, by
7 adoption of this ordinance, to hold all property
8 owners and agents to the same standard. Secondly,
9 the fees collected shall be used exclusively for
10 funding and administering the implementation in the
11 perpetuity of the rental registration process and the
12 inspections conducted. And the purpose is to provide
13 a safe and sanitary environment for the residents and
14 their guests of all rental dwelling units.

15 And this is very, very common. I know that
16 you know I don't know what happens in North Canton.
17 What happens in the rest of the world, if you don't
18 have oversight, you get slumlords, you get people
19 that don't care. You get tenants that are afraid of
20 retaliation if they, you know, complain about
21 something. You get people with low or very little
22 heat. I had one community that had a lady called me
23 from another state around -- somewhere around
24 Christmas, New Year's, somewhere in that two- or
25 three-week period and said her parents were living in

1 a rental and that they had hardly any heat at all.

2 I sent an inspector out. He went out there
3 and they were barely at 50 degrees and they were
4 covered in layers of clothes and all that. They had
5 told their landlord, who was an upstanding citizen,
6 well thought of in the community, repeatedly. And he
7 was in the holiday spirit and just not paying
8 attention to the complaints and saying I'll take care
9 of it after the holidays. In his defense, he said he
10 didn't really realize how cold it was. But, on the
11 other hand, he didn't care enough to drive four miles
12 from where he lived to check it. So this is the
13 safety valve, for want of a better word, for your
14 tenants that have landlords that either don't care or
15 are too busy to take time, and we're the one going
16 out there and checking and make sure everything is
17 up. They have hot water, they have got heat, they've
18 got the smoke detectors, the fire detectors and all
19 that.

20 MR. CERRETA: I'm on board with that.

21 MR. CHEATAM: Yeah.

22 MR. REVOLDT: Would you do me a favor?

23 Under -- under that Purpose, actually up in 3, under
24 B3, you've got -- that part of what we're trying to
25 do is make sure that these properties comply with our

1 property maintenance code. And would you reflect
2 that again down under Purpose because that is our
3 purpose as well is to make sure these properties meet
4 our minimum.

5 MR. FONTE: Right. Thank you.

6 MR. CHEATAM: And that is, let me just
7 reference real quick, or maybe you did in 3. 1701.06,
8 that does state. Yes. But I will --

9 MR. REVOLDT: Yes. Reiterate it.

10 MR. CHEATAM: -- reiterate it. Yes sir.

11 MR. PETERS: Thank you. Listen, this has
12 been a long time coming. Miriam, Melanie, in the
13 audience, Ron Wooton, different individuals, we've
14 been working on this and I'm ecstatic that it's
15 finally come to council and hopefully there's four or
16 more votes to support this because this is something
17 that's essential to protect the integrity of our
18 neighborhoods. When you look at a rental unit, a
19 hundred-dollar fee, and I believe that will be a
20 yearly fee; is that correct?

21 MR. CHEATAM: That is yearly, yes.

22 MR. FOLTZ: That would involve a yearly
23 inspection?

24 MR. CHEATAM: Yes.

25 MR. FOLTZ: Then there's also a complaint

1 inspection-driven process, too.

2 MR. CHEATAM: Yeah.

3 MR. FOLTZ: That's only \$8.33 a month. Come
4 on. That cable goes up more than that a month. And
5 you get into two units, three units, that price drops
6 to six and a quarter per unit for a two-unit and 5.53
7 for a three-unit. And if you can't afford those,
8 then get out of the rental business in North Canton.
9 It's that simple. We have a great city to live in.
10 And if you want to be a landowner or landlord here
11 you need to make sure that your property is up to
12 codes and you pay a minimum fee to ensure that our
13 inspectors come out and take care of anything that's
14 not up to code as far as just basic health standards
15 and what anybody else would want to live in and
16 that's not a stretch.

17 MR. HELD: Amen.

18 MR. FOLTZ: And if we don't do this now,
19 we're going to look down the road and regret the
20 possibilities that we have now that other cities are
21 struggling to get through. Our neighbors are dealing
22 with this now and we can't afford to let any more
23 time pass before we make sure that we have inspectors
24 who are qualified to go in these homes and make basic
25 inspections for basic necessity utilities. Just

1 living standards. We're not asking this to be a Taj
2 Mahal. We're just asking it to be up to a decent
3 living code. And I don't think that's too much to
4 ask for here. Especially at those prices. I applaud
5 the administration, everybody that's been involved in
6 this. Thank you. I hope this council has the wisdom
7 to pass this. To me, you know, obviously it should
8 be a three-reading process for anything we may have
9 left out, but I just -- I just hope we have this in
10 place by, say, midsummer or whatever the three
11 readings take and we move forward. So thank you for
12 your efforts. Thank you for your experience, and
13 this was a big part of why we wanted you in here.

14 MRS. WERREN: Yeah.

15 MR. FOLTZ: Because you've got a track record
16 with this. And it's a proven track record. And I
17 thought you were looking at our communities, and we
18 probably are low but I'm okay with this fee
19 structure.

20 MRS. WERREN: No, it's good. We talked to
21 the administration about it. Let's move on it.

22 MR. FOLTZ: We let people know. So thank
23 you.

24 Now one thing, the one-time early
25 registration incentive, is that just this year or

1 will that be in place every year? And reason I say
2 that is I think there is some merit that you don't
3 get inundated with how many rentals we have, I'm not
4 quite sure, but we're going to find out. You don't
5 get them all at one time. So I think as long as you
6 can handle the volume of when they should be coming
7 in, I think that is a process to look at.

8 MR. DEORIO: That was part of the design
9 process that we wanted it to be a 12-month
10 certificate. So you buy the property today, let's
11 say year one, and you get the inspection and you're
12 good for 12 months. We didn't want to do what some
13 other communities have where everything starts
14 January 1.

15 MR. FOLTZ: Correct.

16 MRS. WERREN: Yeah.

17 MR. DEORIO: And then you've got --

18 MR. CHEATAM: It's staggered.

19 MR. DEORIO: -- however many. It's too much.

20 MR. CERRETA: Good idea.

21 MR. DEORIO: And we should say that, if I can
22 summarize it, well, I mean, one of the early concerns
23 in this when I first started here, in talking with
24 the director of law on this, was that, you know, he
25 had shown me some case law that had indicated that,

1 you know, if you are going to do this program and
2 you're not going to provide a service, that was a
3 problem.

4 MR. PETERS: Right.

5 MR. DEORIO: And lot of communities try to do
6 that. So this is a process that has a service. And
7 I think we're in a position where we got to that
8 comfort level, now that we have somebody here that we
9 can depend upon to do that, as opposed to where we
10 had none before. I, too, looked at a bunch of other
11 communities and I knew Mark would ask that question.
12 And so as part of that I told him where to search
13 geographically; that, you know, we liken ourselves to
14 the -- you know, to Dublin or Hudson. We think of
15 ourselves in those terms. But we still have to take
16 into account what is happening in our community, in
17 Canton and Massillon or whatever, but the idea was to
18 try to hold this to a standard. I know you wanted to
19 say something.

20 MR. HELD: I think this is really good
21 legislation. I'm glad you're putting it together.
22 Because really, what it does is it protects the
23 tenant, it also protects the property owner. Because
24 oftentimes you could have property owners that they
25 don't even live in town. They may live out of state.

1 This could be as a part of a portfolio where they own
2 50, 60, you know, a hundred homes. And oftentimes,
3 like you had mentioned, it could be due to the
4 property owner's lack of knowledge or communication,
5 but -- and so now it not only protects the tenant and
6 the property owner but then the neighbors. And then,
7 you know, the community asset, which is each home.

8 MR. CHEATAM: Right.

9 MR. HELD: I think it's excellent. Good job.

10 MR. CERRETA: Are we expecting to hire any
11 inspectors because of this? Because this is a great
12 program, but if we can't keep up with them, that
13 defeats the purpose too.

14 MR. CHEATAM: So the way SafeBuilt works in a
15 community, we provide as much as the activity
16 requires. I feel that right now implementing this in
17 the latter part of the year I won't have to hire
18 anyone else, but I've already had that discussion
19 both with Marty as a local CBO and also with Pat and
20 some others that if we see right away we need another
21 inspector, part-time, full-time, we'll add it. We
22 will take care of it.

23 MR. HELD: As the needs arise.

24 MR. FOLTZ: Let me ask you this, too, because
25 I believe, going back in my mind, when we have an

1 out-of-town owner, are we requiring a property
2 manager to be accessible to this community if we do
3 have a problem with the rental? The reason I say
4 that is, if you do have somebody in California or out
5 of state and you can't get hold of them, we need
6 somebody to be in charge of this property so we don't
7 just send letters out or send fines out and it's a
8 long-standing process. It doesn't get us anywhere in
9 a quick fashion. I'm looking at to have them
10 required to have somebody locally that can address
11 these issues. Whatever they might be doing, an
12 inspection. Have you seen any of this as far as --

13 MR. CHEATAM: I have seen that in some
14 higher-end communities. It's not real common but
15 it's something you could all discuss and come to a
16 consensus on. It's not in this legislation. I would
17 need to add that if you wanted to look at that.
18 Which what I would do is find some language and --

19 MR. FOLTZ: I'd prefer if you could do that,
20 sir, thank you. Because I think it's almost a
21 necessity that we have somebody that can answer our
22 questions and be immediately accessible to us within,
23 you know, a time frame that's -- that's, you know,
24 that you can work with. But not just send letters
25 and nobody respond and you've got four residents

1 living, you know, in a rental unit without any
2 availability to move forward with improvements or to
3 have contractors hired.

4 MR. CHEATAM: And that's not unreasonable. I
5 know I used to own rentals myself, I don't currently,
6 but I know a lot of people that do, and more and more
7 of them are finding that to get someone like Dominic,
8 a real estate firm to manage them. My son owns some
9 rentals now up in a Cleveland suburb and he lives in
10 Medina. He owns them, I think, in Parma, I'm not
11 sure where, and he hired a realtor that manages them
12 so he's not involved, and that's not a high fee, it's
13 a very small percentage. I looked over the contract
14 for him. So it's not unreasonable to ask that, that
15 if they're not a local person that they have local
16 management company.

17 MR. FOLTZ: Right.

18 MR. CHEATAM: But it's -- as far as
19 statistically, it's not a great percentage that do
20 require but some do.

21 MR. FOLTZ: Okay.

22 MR. CHEATAM: But I could definitely look
23 into that.

24 MR. REVOLDT: I would assume what we're going
25 to do, is if in the absence of a local manager we

1 would not grant an occupancy permit; correct? So if
2 it's not designated, what's the stick?

3 MR. FOX: Your common law is going to show
4 you that you're going to be limited to -- that this
5 local person be either in the county or within a
6 contiguous county. You wouldn't be able to do North
7 Canton.

8 MR. REVOLDT: Let me rewind. Let me rewind
9 again. If a property owner/landlord does not have --
10 the owner does not have that designee who is local,
11 however we define it, he does not receive an
12 occupancy permit. The property does not have an
13 occupancy permit. Is that -- is that what we're
14 asking?

15 MR. CHEATAM: Well, you have to have an
16 enforcement language in here. Or it's, you know, not
17 going to do anything. So I'll look at the wording of
18 other ordinances that are similar and then offer you
19 some language to look at. Tim can pare it down, or
20 Pat, or whomever, or you guys, but I'll look at
21 something. But definitely you have to have a way to
22 enforce that.

23 MR. REVOLDT: All right. So what we're going
24 to do is we're going to have this back in two weeks
25 or at our next meeting with some new language, and in

1 the interim we'll, I'm sure, entertain comments from
2 our constituents.

3 MR. FOLTZ: Good. Thank you.

4 MR. DEORIO: I would -- I would just add two
5 points. One, that I know that the law director had
6 counseled me on what I want to add but, you know, I'm
7 getting just -- you know, you mentioned it's been a
8 long time coming. And sometimes you have to crawl
9 before we walk. And it seems that some of the reach
10 that you're going for is sprinting and you would
11 really like this to launch and to launch successfully
12 so I would ask you to just keep that in mind.

13 But as far as the enforcement mechanism, we
14 still have to meet with the Stark County auditor and
15 talk to him about whether or not, you know, the
16 preferred method that we would choose to enforce this
17 is available to us or if we have to choose a
18 different method. So it's a matter of whether it's a
19 criminal or a civil statute that we have to pursue,
20 and we are going to be seeking counsel from the Stark
21 County auditor on what they're willing to do.

22 MR. FOX: And essentially what this is, they
23 call it special assessments. And looking for those,
24 because what it entails is simply if there isn't
25 compliance that there's an administrative fine. And

1 if the administrative fine is not paid, if you can
2 convince your county auditor to place this as a
3 special assessment and simply add it to the property
4 card and when the property changes hands or when
5 their taxes are due, this assessment is there.
6 There's nothing more to do, much like our weeds and
7 high lawns program. And we give them an opportunity
8 to resolve it, an opportunity to appeal, and if they
9 don't comply it's a special assessment that we turn
10 over twice a year to the auditor's office.

11 Now, I have been looking for this because I
12 know our auditor has turned down some of these for
13 communities that haven't done their homework and
14 proven that these type of special assessments are
15 unique. They have to show a value to the community.
16 And so we'll have to clearly write in the benefit
17 that's going to be derived from having this
18 ordinance, these safety and health inspections. And
19 what we should do is our homework and meet with them
20 and see if we're able to do this.

21 I have seen that Summit County authorized
22 this type of special assessment for these rental
23 registrations because if you don't have this
24 enforcement arm, the problem that you have is that
25 courts view this as such a de minimis type of action

1 that you're not likely to get traction in a criminal
2 action. So then you're limited to bringing this as a
3 civil action for hundred-dollar fines. And it may
4 not be worth your while. So we're going to do our
5 very best to demonstrate the benefit that the
6 community is going to derive from this and try to
7 work with Alan Harold's office to see if we can't get
8 this in a form that we could do it as a special
9 assessment.

10 MR. REVOLDT: Let's find some teeth. We're
11 done.

12 MRS. WERREN: Yeah. Get that. Please.

13 MR. PETERS: Let the Record reflect that
14 Peters and Fonte have rejoined. And moving on to
15 Personnel and Safety, we have a discussion concerning
16 potential golf cart legislation.

17 Two or three weeks ago, we had a gentleman
18 come up, he had a golf cart out back, showed you what
19 he has done to it and the inspections and benchmarks
20 he had to meet that were Stark County sheriff and
21 state highway patrol. Anyways, right now currently
22 our ordinances do not allow for slow-moving vehicles
23 and he asked that if I would put this on for
24 discussion. Chief Minock is here. I asked him to
25 come tonight to give his -- his view on this. And

1 so, John, if you wouldn't mind coming up here.

2 We had a discussion earlier this week and
3 there was some things that I didn't think about when
4 we first -- when I first decided to put this on. So
5 if you would just kind of give us your thoughts and
6 overview on what you feel about the slow-moving
7 vehicle.

8 CHIEF MINOCK: I'm not inclined to support
9 it.

10 MR. DEORIO: Closer, please.

11 CHIEF MINOCK: What the state actually did
12 was rescinded their blanket prohibition about these
13 vehicles on the state roads but they put the burden
14 on each individual community to pass legislation to
15 allow it. Along with that, there's a supposition
16 that those communities would perform inspections and
17 refer those people to the BMV to get license plates
18 for the vehicles that pass an inspection. I don't
19 feel comfortable in saying that a particular golf
20 cart is safe to operate on the streets. The sheriff,
21 I believe, is doing some of the inspections. The
22 state patrol is not doing inspections. They're not
23 going to do them.

24 I would just question the value of this
25 legislation to the majority of the residents and, you

1 know, other people that use the community, pass
2 through the community. One of the biggest activities
3 for my group of people is addressing traffic
4 complaints, traffic issues, crashes, noise. You
5 know, a multitude of things. And putting another
6 type of vehicle in the mix of traffic that we already
7 have, I can only see it generating more problems.
8 Now, if there's only one or two, granted, it may not
9 be a lot of problems, but if it's more, it's going to
10 be more. And if it's only one or two, how many
11 people are going to have to deal with that vehicle
12 every day versus just the convenience for that one
13 person to be able to operate that.

14 MR. PETERS: Chief, one thing -- Pat, if you
15 don't mind. One thing he brought up, too, an
16 unintended consequence, if you may, was that we can't
17 differentiate. Say we as a collective said okay,
18 yeah, golf carts are fine, but that also allows
19 four-wheelers, you know, gators, whatever you call
20 them, to be on our roads. You know, to come right
21 off the, you know, the -- they're out mudding and
22 come right on to our streets.

23 CHIEF MINOCK: You may be able to tailor the
24 legislation specifically to target certain things,
25 but some of those vehicles are actually allowed by

1 state code to cross roads. So I know you had
2 mentioned like the school, if they wanted to use one
3 to go from the school building to the stadium lot or
4 something like that, they can already do that. We
5 don't need to pass this legislation to open up use of
6 the streets just to allow somebody like that. Like a
7 guard at Hoover's.

8 I think the thing with the golf carts has
9 come about because it's the planned developments
10 where you have a small, contained area of residents,
11 usually probably like a retirement community where
12 no, the streets aren't private but it would look like
13 typically a private allotment and they want to use
14 those types of vehicle. Previously that was outlawed
15 by the state code. So obviously there's enough
16 pressure, they backed away from that. But we're not
17 that type of community. Those vehicles are limited
18 to 20 miles an hour. And the state code says that
19 they cannot operate on roads with a speed limit of
20 greater than 35. Well, that's a big discrepancy.
21 You know, we have a 35-mile-an-hour speed limit on
22 Everhard, and if you went through our traffic
23 citations, you'll find people down there going mid50s
24 or better and you're going to throw something out
25 there that can only go 20. Same thing with Main

1 Street, Schneider, you know, Applegrove. And I just
2 question the judgment there. And they're not going
3 to hold up like a car does in a crash either.

4 MR. FOX: They're made for golf courses.
5 They're not made for our streets.

6 CHIEF MINOCK: Right.

7 MR. FONTE: Chief, my father-in-law has, I
8 think it's a three-wheeler, actually. It's like
9 electric. It has blinkers and everything. So he's
10 85 and he rides it from his little condo down in
11 Fredericksburg down, I don't know if he rides it in
12 the street or the sidewalk, I'm not sure --

13 CHIEF MINOCK: You're talking about like one
14 of those personal mobility things?

15 MR. FONTE: Yeah, kind of like that.

16 CHIEF MINOCK: Those are different. He can
17 use the sidewalk.

18 MR. FONTE: It's kind of a hybrid of that.
19 And he takes it to the Y, does the exercising and
20 rides it back.

21 CHIEF MINOCK: On the sidewalks or --

22 MR. FONTE: I don't know. It made me think
23 about it when you said that.

24 MR. PETERS: I've seen them.

25 CHIEF MINOCK: Well, and those are classified

1 as a pedestrian anyway.

2 MR. FONTE: Okay.

3 CHIEF MINOCK: A golf cart is going to be
4 considered a vehicle where they can use anything.

5 MRS. WERREN: Yeah.

6 MR. PETERS: This is for street use.

7 MR. FONTE: Yeah, I think it sounds a little
8 risky to me, man. We should have, like, golf course
9 day.

10 MRS. WERREN: What do you do with allotments
11 that have a pool, where people --

12 MR. PETERS: In a neighborhood?

13 MRS. WERREN: In a neighborhood.

14 CHIEF MINOCK: I think if you're going
15 swimming you should be able to walk to the pool. I
16 don't know.

17 MR. FONTE: We're in the 21st century, man.

18 MS. KIESLING: So do we really need to have
19 discussion about this? I don't think that's
20 something we're ever going to contemplate.

21 MR. PETERS: He asked if I would bring it to
22 council and I said I would.

23 MR. FOX: I have done quite a bit of research
24 looking at communities that have this, and often you
25 find this is, as the chief had said, these are

1 planned communities where they use these to get back
2 and forth to a recreation center, activities center,
3 and they're generally just not traveling on your main
4 roads. And especially when you are on these two-lane
5 roads where if you have -- if you're the car that's
6 behind this one and it's in the center of the lane
7 you're going to have to go around it. And if you go
8 around it and it's a double line, you're not
9 permitted to pass it. And imagine you're driving
10 that automobile that the other person was willing to
11 take that chance and use a golf cart as their mode of
12 transportation and if you clip it, if you cause the
13 accident because you passed it because you were
14 impatient and that would just be a terrible situation
15 that you'd find yourself in. Cars lined up because
16 of this one that's doing 20 miles an hour and you're
17 having to wait to -- to pass it.

18 The other criteria for the overall city is
19 if -- I imagine if the city passed legislation that
20 authorized the use of these that we would have more
21 serious accidents. And, you know, maybe not more
22 accidents but the accidents would be more severe.
23 There's arguments to be made much like a motorcycle.
24 Indeed, but the motorcycles will generally travel at
25 a much faster speed than golf carts.

1 MS. KIESLING: I think that's good. All
2 right. We're good.

3 MR. PETERS: It's the low speed, which is
4 actually in quotation it specifies that in the
5 sheriff's inspections. So okay. Suffice to say
6 council is not in favor of moving forward with this.

7 MR. FONTE: Not a big hit.

8 MRS. WERREN: No.

9 MR. FOLTZ: Chief, thanks for your time.

10 MS. KIESLING: Thanks for being here all
11 night, you poor soul.

12 MR. CERRETA: Jeff, Chris Howe's father -- or
13 grandfather passed away. He asked if we would have
14 just a real quick moment of silence, and any time
15 anybody asked that, I don't think you would have any
16 issues having that, would you?

17 MR. PETERS: Absolutely not. Paul; right?

18 MR. CERRETA: Paul Fosnight; right?

19 MR. HOWE: Yes.

20 MR. CERRETA: In memory of Paul, let's have a
21 moment of silence. Okay. Amen.

22 MR. PETERS: Sorry about your loss, Chris.

23 MR. HOWE: Thank you.

24 MR. PETERS: Okay.

25 MR. DEORIO: Mr. President. We are looking

1 to just take a two-minute -- do I need to -- do we
2 need to amend the agenda for a two-minute discussion
3 on a matter concerning the municipal golf course or
4 can I just talk?

5 MR. PETERS: This is classified as a special
6 committee meeting but I will say this: In our
7 ordinance, our ordinance allows us for the first,
8 third and fifth Monday.

9 MR. FOLTZ: So, yeah.

10 MS. KIESLING: It's not a special session.

11 MR. FOLTZ: Mr. Osborne brought it to my
12 attention and I believe this is not a special
13 committee meeting.

14 MR. PETERS: I won't classify it even though
15 it's highlighted, it's per our rules.

16 MR. FOLTZ: Thank you.

17 MR. PETERS: It's not a special council
18 meeting, so yes.

19 MR. FOLTZ: I'm make a motion to amend the
20 agenda.

21 MR. PETERS: Motion and second to amend to
22 allow Pat --

23 MR. REVOLDT: Moved, and I'll second.

24 MR. PETERS: All in favor?

25 ("Aye" in unison.)

1 MR. PETERS: Opposed? Okay. Motion carries.

2 MS. KIESLING: I'm just going to go home
3 because the meeting is going to end; right? I'm not
4 sticking around.

5 MR. PETERS: Oh, yeah, you guys can't be
6 here.

7 MR. FONTE: Do we leave or sit back there?

8 MR. PETERS: We've got four to --

9 MS. KIESLING: I'm not staying back there.

10 MR. PETERS: What's two minutes? Whatever.
11 Do whatever. We've got four here to adjourn. But
12 you guys have to get out of the room.

13 MS. KIESLING: I'm leaving.

14 MR. FONTE: Hold on. I've been getting
15 kicked out a lot lately.

16 MS. KIESLING: Poor Dom.

17 MR. REVOLDT: What's that tell you?

18 MR. FONTE: I don't know. What does that
19 tell me?

20 (Members Fonte and Kiesling not present.)

21 MR. PETERS: All right, Patrick. The floor
22 is yours.

23 MR. DEORIO: I just -- just wanted to let the
24 council know that we did receive, you know, a few
25 submissions for the request for proposal on the

1 municipal golf course. We are in the process of
2 interviewing those applicants. We should finish that
3 in the next two or three days. Be this week for
4 sure. And then once that process is finished, we
5 will come back to council with the full report of
6 where we're at. But I wanted to just kind of get a
7 little sense of it, if you wouldn't mind opining, on
8 that it's -- it's possible, depending on the outcome
9 of who was chosen, that we may need an option for an
10 interim agreement until a contract can be finalized.
11 So we want the final contract to go through the
12 legislative process that we have. To do that, we may
13 need to have an option to enter an interim agreement.

14 MR. HELD: Interim management agreement.

15 MR. DEORIO: Interim management agreement in
16 the event, depending who's chosen. So I just wanted
17 to see if that's something that the council would
18 support, the administration going that direction if
19 need be.

20 MRS. WERREN: Sounds good.

21 MR. FOX: Patrick, I think there is a need,
22 because we talked about it so much with the groups,
23 the rationale behind this is that you don't want a
24 gap. In that if the current one is not chosen -- if
25 the current one is chosen, there's no doubt. But if

1 it's not chosen then there's going to be this
2 transition period. And I think that's what this --
3 this gap-filler type of contract would be, to make
4 sure that the weddings and the graduations and the
5 golf and --

6 MRS. WERREN: That makes sense.

7 MR. FOX: -- all the functions is covered
8 through a transition.

9 MRS. WERREN: Got it. You're the lead.
10 Sounds good.

11 MR. DEORIO: That was all.

12 MRS. WERREN: All right, Jeff.

13 MR. DEORIO: So Daryl and Jeff?

14 MR. PETERS: I'm okay with it. I'm just
15 looking at the legislative schedule here. So --

16 MR. DEORIO: On the interim side, this would
17 be a matter that would be well below the threshold
18 that we would have to come to council to get.

19 MR. FOLTZ: Okay. You don't need council
20 mitigation.

21 MR. DEORIO: I didn't want to operate in the
22 dark and I wanted council to be aware. So is that --

23 MR. HELD: So really what Patrick is asking
24 for, is as they're going through the companies that
25 have turned in these proposals, depending what the

1 outcome is and what decision is made with Patrick and
2 Cathy and Laura and Tim as they're reviewing this and
3 other members of council that are on there, that, you
4 know, we'll have to be prepared to have an interim --
5 possibly have the option of an interim management
6 agreement. So what Patrick's asking for is just a
7 voice vote in support of that. We don't need council
8 action but he just wants to make sure he's keeping
9 everybody apprised.

10 MRS. WERREN: Got it.

11 MR. HELD: And he has the support to handle
12 this.

13 MR. FOLTZ: And keeping the facility open and
14 honoring the contracts, you know, golf leagues that
15 are already there. That is the main objective.

16 MRS. WERREN: Yeah.

17 MR. PETERS: Dave, do you have anything else?

18 MR. REVOLDT: I move a voice vote to
19 authorize the administration to enter into an interim
20 contract below the --

21 MR. FOLTZ: Normal bid.

22 MR. REVOLDT: -- normal bid requirement.

23 MR. PETERS: Is there a second?

24 MR. FOLTZ: Second.


25 MR. PETERS: Member Werren?

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MRS. WERREN: Yes.
MR. PETERS: Member Revoldt?
MR. REVOLDT: Yes.
MR. PETERS: Member Foltz?
MR. FOLTZ: Yes.
MR. PETERS: Member Peters votes yes. Okay.
MR. REVOLDT: Motion to adjourn.
MR. PETERS: Motion to adjourn.
MRS. WERREN: Motion to adjourn. Second.
MR. PETERS: All favor?
("Aye" in unison.)
MR. PETERS: Opposed? We are adjourned.

(Meeting adjourned at 9:17 p.m.)

Attest:



Laura E. Brown
Director Finance



Daniel Jeff Peters
City Council President

