

DAYTON LEGAL BLANK, INC. FORM NO. 1014R

Held Monday, April 12, 7:00 p.m. 10

CALL TO ORDER:

1. The council meeting was called to order Monday, April 12, 2010 at 7:00 p.m. by President of Council Daryl Revoldt.

OPENING PRAYER:

2. The opening prayer was delivered by Retired Reverend Tom Douce.

PLEDGE OF ALLEGIANCE:

3. All present recited the Pledge of Allegiance.

ROLL CALL:

Mr. Revoldt: Clerk, would you please call the roll.

4. The following members of Council responded to roll call: Davies, DeOrio, Foltz, Kiesling, Peters, Revoldt and Snyder. Also present were: Mayor Held, Director of Administration Wise, Director of Law Nilges, Director of Finance Zumbar, City Engineer Benekos, Drinking Water Plant Superintendent Steinhebel, and Clerk of Council Kalpac.

5. Consideration

Mr. Revoldt: We have for approval this evening minutes of the Council Meeting of March 22, 2010. Are there any amendments to that document?

Mr. DeOrio: Mr. President, I would move that we approve the minutes as submitted.

Mrs. Kiesling. Second.

Mr. DeOrio moved and Mrs. Kiesling seconded to accept minutes of March 22, 2010. All members present voting:

Yes: DeOrio, Foltz, Kiesling, Peters, Revoldt, Snyder, Davies.

No: 0.

6. Mr. Revoldt: We also have for our approval this evening Committee Minutes, Executive Session for Personnel & Safety held on March 22, 2010; an Executive Session for Finance & Property held on March 29, 2010; and our regular Committee Minutes – Finance & Property, Ordinance Rules & Claims, Street & Alley, and Water, Sewer & Rubbish, all held on April 5, 2010. Are there any amendments to those minutes?

Mr. DeOrio: Mr. President, I would move we approve the Committee Minutes as submitted.

Mrs. Kiesling: Second.

Mr. DeOrio moved and Mrs. Kiesling seconded to accept Executive Session & Committee Report Minutes as presented. All members present voting:

Yes: Foltz, Kiesling, Peters, Revoldt, Snyder, Davies, DeOrio.

No: 0.

Executive Session Minutes - Personnel & Safety Committee: Please refer to the minutes on file in the Council Office of the Executive Session Meeting for Personnel & Safety Committee held on March 22, 2010.

Executive Session Minutes – Finance & Property Committee: Please refer to the minutes on file in the Council Office of the Executive Session Meeting for Finance & Property Committee held on March 29, 2010.

Finance & Property Committee: Please refer to the minutes on file in the Council Office of the Finance & Property Committee meeting held on April 5, 2010.

Ordinance Rules & Claims Committee: Please refer to the minutes on file in the Council Office of the Ordinance Rules & Claims Committee meeting held on April 5, 2010.

Street & Alley Committee: Please refer to the minutes on file in the Council Office of the Street & Alley Committee meeting held on April 5, 2010.

Water, Sewer & Rubbish: Please refer to the minutes on file in the Council Office of the Water, Sewer & Rubbish Committee meeting held on April 5, 2010.

RECORD OF PROCEEDINGS

Minutes of

COUNCIL OF THE CITY OF NORTH CANTON

REGULAR

Meeting

DAYTON LEGAL BLANK, INC. FORM NO. 10148

Held Monday, April 12,7:00 p.m.2010

7. RECOGNITION OF VISITORS

Mr. Revoldt: The next item on our agenda is recognitions of visitors. Is there anyone who wishes to address the Council? Gentleman in the plaid shirt – if you'll step forward to the microphone and state your name and address.

Mr. Wolf: My name is Bob Wolf – I live on 7th Street in Ward 4. I'm not a new resident to the City but I'm not an old resident either. I've only lived here about 22 years, but I keep reading in the paper that Council has been addressing water policies and I get a little confused – I had some questions that I thought might be addressed tonight. I see that there's an ordinance to go ahead and discuss the water situation. When I first came here I was told that anybody outside of town, if they received North Canton water, they would agree to be annexed to the City, or be a property owner or a business, and that went by the wayside someplace. Then I was told that outside the City developments, we get North Canton water at the rate of 2-1/2 times the rate in the City and as soon as the new water plant was developed, that rate was dropped to 1.88 times the City water rate, and then we were told by the EPA that because we reached a capacity in the plant and there was danger of having a problem in the plant in the City, that the plant had to be expanded, and the citizens and the Council took their duties earnestly and they expanded the plant through Bond issue. Then the City had a capacity – excess capacity at the plant and started selling water to a private organization and they, in turn, sold water outside the City at a rate under what the City residents were paying. I see that you're going to address tonight a change in that ordinance or in that agreement. I wholeheartedly agree with that. I know that, in the case of the sewers, that we don't own the sewer plant, we don't own the lines, that the sewers are provided for our sanitary sewers, and that we're subject to pass-through by Canton City and whatever the City might be required to fulfill; and I understand that. And, conversely, I say to myself, why don't we have a safe policy for water? We own the plant, at least I thought the citizens did and I think the people have been spending 20-30-40 years in some cases through taxes and so forth, to build that new water plant and I think that it's part of the group that came in 2007 when we talked about the Homestead Exemption and rolling back the prices for senior citizens and the study showed that would require the loss of several hundred thousand dollars a year for the City if they did that. The question I have in mind is two things, why don't the City treat residents, the seniors, the same way they treat the water company? If you're talking about a 3% a year increase, why don't you use that for the citizens also? You're talking about a water rate increase some place down the line – next year or so. In the six years since we started the water plant, we've increased the rates to the citizens 67%, and I don't think that it's fair to the citizens that we sell water outside at a rate that is lower than what the citizens pay, nor do I think that we ought to increase the rates at a greater rate than we sell water for. In other words, if you're going to sell water at a 3% increase a year, then you ought to sell the citizens at 3% increase a year. That's fair, isn't it? I was wondering if the capacity of the plant, and I don't know what that is, whether it's 250,000 gallons a day or 300,000 a day, but if we commit to 200,000 gallons a day to an outside source and they have a request on the first output of the plant, what does that leave the citizens? I think you're going to have a lot of problems if you permit that contract to continue, if they get first call to the plant and the citizens, in case of an emergency, would be left high and dry then. These are questions that occurred to me and I just jotted them down on paper and had an opportunity to – appreciate the fact the opportunity tonight to address you with those same thoughts. I thank you.

Mr. Revoldt: Mr. Wolf, thank you.

Mr. Davies: You know, we are addressing the deal with Aqua and are raising their rates substantially. One of the things that I think that people forget, if you were to buy a new house today, in the cost of that house would be the cost of running the water lines that the developer runs the waterlines, you know, through the streets and so forth, and of course that house up. That's in the cost of the house; however, once the City takes over possession of the roads and so forth, those waterlines become ours and then we have to maintain them. This City has been very proactive, I think for the most part, rightly so. Our lines were very old, we had 4" lines in places that were actually inadequate for the number of houses and so forth. We've had a program now for 5 years – 6 years, what's it been, Jim? Are you listening? For replacement of waterlines? How long have we been doing that?

Mr. Benekos: For 9 years.

Mr. Davies: 9 years, I'm sorry – 9 years – but the City has been incredibly proactive and replaced all these 4" and 6" lines and so forth – went to 8" lines and consequently, we're in much better shape, in fact Mr. McNutt was here from Arcadis, who does all of our water studies and so forth, and he said we're far ahead of most cities in keeping our lines and so forth up to date. So, some of the reason, you know the citizens are paying more, because we've got to maintain those lines. The water we sell to Aqua, there are essentially no lines involved. They maintain their own lines wherever they provide that water and we don't have to maintain those, so the cost to the City, frankly is not as high as it is to the citizens and to our

RECORD OF PROCEEDINGS

Minutes of COUNCIL OF THE CITY OF NORTH CANTON

REGULAR

Meeting

DAYTON LEGAL BLANK, INC., FORM NO. 1016R

Held Monday, April 12,

7:00 p.m.

20

outside water people because those lines are ours and we have to maintain them. So, that's part of the answer to your question. I know that doesn't answer everything. I don't know if Daryl or anybody else has – but that is something that we have to do. We are maintaining those lines where the water that goes to Aqua – they maintain their own lines and we don't have anything to do with those. So, you know, we don't have as high a cost with them as we do with our own lines and the water that we provide.

Mr. Snyder: Mr. Chairman, a couple of his other questions were simply – number 1, the capacity of the plant is about 7-1/2 million gallons a day. So at no time are the citizens of North Canton at any peril or any jeopardy not to have water as well as the contract does so state that the Superintendent of water production has the ability to cease selling water any time he deems it necessary that would compromise the citizenry of North Canton. So at no time will the citizens, either for fire safety or for general drinking water be at jeopardy for water. He'll immediately shut it off. And the request for the 2 million gallon per day, did not, as Mr. McNutt said last week to the City, \$120,000 last year which in turn has effectively kept the inside rate that you're paying today, much lower than it would be if you were into another system. So by the City proactively looking for other ways to sell the excess production, even though the price is less than what the citizens are paying, not figuring the actual overhead cost, it doesn't affect, immure to you as a citizen because you're paying less for water than you would had we not had those outside services. But your questions are well taken and well poignant to the fact which have all been discussed in this last 3 months that we've negotiated. We heard your cry loud and clear – we went back to the vendor and we asked for concessions. We gave, they gave, and we think we've come up with a pretty good deal. Now the cost of raising the citizens – it's only been proposed – there's been no action or no discussion of this body as to raise water rates internally. Not to say that down the road, we're not going to talk about it. But the ceiling might well be below 3%. The ceiling that you're referring to is the maximum amount that we can raise the Aqua agreement in one given year – 3% of the rate increase to the inside rate. So, but possibly, you know, we don't – we have not determined – it's been suggested that we raise it 5% but it necessarily mean that we're going to do that. But that will be done through public meeting and public input. So, you'll have an opportunity to come and give testimony to that. Thank you, Mr. Chairman.

Mr. Davies: You know, and you probably notice around your home, costs go up even though the government keeps telling us there's no inflation – there's inflation. The cost of electric continues to go up – the cost of natural gas continues to go up. North Canton is one water system that treats their water, softens the water and so forth, so it's better quality than other systems around us and the costs of those chemicals continue to go up and up. So, you know, we're fighting that too. As I say, the government says there's no inflation, but there is. Yes, sir.

Mr. Wolf: Does the bottom cost cover, it is a bottom cost for our water plant, right?

Mr. Davies: Right.

Mr. Wolf: Is that covered under the contract with Aqua? Or are the citizens paying the bottom cost?

Mr. Snyder: The cost to Aqua does not include debt service, administrative costs, executive costs – it includes chemicals, electricity and to capture the water from the ground. The established floor level costs – the bottom costs, the administrative costs, and the salaries are there, whether we sell Aqua or we don't sell. The cost is there. The bottom cost, if we pump one gallon or we pump 5 million gallon – that cost doesn't change. Those are fixed costs to the City. The debt service costs are predicated on the rate to the citizens. The Aqua cost is a wholesale rate.

Mr. Davies: And bear in mind, Aqua is a publicly traded company. They could, if we tried to raise this too high, they could say, okay we don't want your water, we'll just build another plant out here somewhere. Then that would/could threaten our outside customers if they wanted to come in and undercut our prices and if they did that then that would really affect costs and so forth because our whole cost structure is predicated on inside rates and the outside rates which are more – a fair amount more than the inside rates are. So, this is kind of a game. We're helping them, they're helping us, and it does, overall, keep our rates down because as I say, if they wanted to build another plant out here somewhere up north and then cut into our outside water, then our rates would really go up. So, you know, this is a one hand washes the other kind of thing.

Mr. Revoldt: Anyone else on water? Mr. Osborne.

Mr. Osborne: My name is Chuck Osborne, 307 Fairview St. SE, North Canton, Ohio. Before I get into my prepared comments, page 6 of the draft agreement with Aqua says, and I quote, "In the event of disruptions or interruptions of service, the City shall not give preference or

RECORD OF PROCEEDINGS

Minutes of

COUNCIL OF THE CITY OF NORTH CANTON

REGULAR

Meeting

DAYTON LEGAL BLANK, INC. FORM NO. 10148

Held

Monday, April 12,

7:00 p.m.

2010

priority to customers other than Aqua". I'm just going to leave that on the table at the moment. The City of North Canton has negotiated many agreements in the course of conducting the public's business but, unfortunately, many of those agreements have resulted in financial loss for the taxpayers of North Canton. Some of these agreements that have led to financial loss are the agreement to lease Arrowhead Golf course to Kevin Larizza and the option agreement to purchase twenty plus acres of, what I call, swamp land on the east side of town from the Crowder family. The Cooperative Economic Development Agreement, commonly know as CEDA, for the Sanctuary is another negotiated agreement that has resulted in financial loss for the City of North Canton. In that agreement, no one in the City bothered to negotiate any concessions on behalf of the City. There were three signers to the agreement, Plain Township, City of North Canton, and McKinley Development Company. In the CEDA, Plain received assurances that North Canton would not pursue further annexations for a period of three years. McKinley Development received a less cumbersome annexation process. But what did North Canton negotiate for itself in its 2003 CEDA agreement? Nothing! North Canton could have negotiated the water distribution rights to the Sanctuary if the City leaders had negotiated a CEDA that benefited all parties to the agreement but the City did not do so. The present water agreement with Aqua Ohio allowing Aqua to serve the Sanctuary is another agreement that has cost the City dearly. Rushed through the City Council in 2005 on an emergency, the water agreement has led to the sale of water at below cost for five years, resulting in millions of dollars in revenue losses. Luckily, for the City of North Canton, the unforeseen downturn in the economy has a silver lining for North Canton. The build out of the Sanctuary of nearly 206 homes as well as other planned development has not happened and is not likely to happen in the foreseeable future. Aqua does not want to be committed to a required minimum purchase of 500,000 gallons per day which increases to 600,000 gallons per day beginning May 1, 2010. Paying for water, even when North Canton has discounted the water price at less than North Canton's production costs, is an expense to Aqua when it does not take delivery of the water. Aqua does not want to continue in this fashion. North Canton may not be accountable to its citizens for financial losses resulting from water sales but Aqua Ohio is accountable to its shareholders for operational expenses and the bottom line. Any renegotiated water agreement with Aqua needs to be handled with due diligence and a study lest this City find itself again on the losing end of another agreement. Aqua Ohio is Ohio's largest investor owned water utility. Their parent company, Aqua America, Inc., is the nation's largest U.S. based publicly traded water company. Neither company is responsible for the millions in debt owed by North Canton's water fund. The rate payers and citizens of North Canton are responsible for these bonds on the water treatment plant. The citizens of North Canton should not be enriching public corporations as has been the case with the current water agreement with Aqua Ohio. Regarding the draft of the new water agreement, I have the following remarks: One: Water rates charged to Aqua should be handled as any other BULK WATER user and subject to rate increases as any other water customer the city serves. Restricting rate increases to Aqua will add inequities to the City's water rate structure as other water user's rates are increased at a higher rate over time and create greater problems in the future. We presently have in the draft form, a limit of 3% for Aqua. You have planned or recommended increases for residents of 5-1/2% a year. Two: The water rate charged to Aqua should take effect as soon as the contract is ratified. Given that the Arcadis Water Utility Rate Study has documented that the City is selling water to Aqua below the City's production cost, it is not financially prudent to agree not to raise Aqua water rates in the first year of the new water agreement. Three: The ten-year term for the new agreement is not prudent and exposes the City to a great deal of uncertainty and financial risks. There is no benefit to the City for a long term agreement. A two or three year term would be much better and allow the City to weather an unforeseen financial downturn arising from water sales. Four: Reserving 2.0 million gallons per day (mgd) for possible sale to Aqua is an unfair provision in the agreement. In effect, Aqua is asking that North Canton provide the basis for Aqua's future growth of water sales at the expense of the citizens of North Canton. Five: Monthly billing, late payments, and penalties for late payments should be brought in line with North Canton's policies that are presently in effect for all water users. I ask City leaders to look closely at all aspects of any agreement and understand the agreement you ratify. North Canton must negotiate agreements in the future with a keener mind. The City cannot weather too many more financial boondoggles and giveaways. You must negotiate agreements like it is your money. The City does not have the funds to pour down the drain as has been the case in the past. North Canton must do better. Three weeks ago I also spoke on this same topic and in my presentation I asked, what are the costs we have incurred to facilitate water sales to Aqua. I have not heard anything from the Mayor or the City Administrator, or from this Council. I have learned that it may not be all the costs but I have learned some costs myself. As part of the original Aqua Water Agreement, we were required or agreed to buy the remains of the Applegrove Water System for \$95,000. What we did was just buy a shell because we then paid for the expense to tear down their water storage tank. Net that against your 110 or 120 thousand you said you made on the water sale.

Mr. Revoldt: Per year.

RECORD OF PROCEEDINGS

Minutes of COUNCIL OF THE CITY OF NORTH CANTON

REGULAR

Meeting

DAYTON LEGAL BLANK INC. FORM NO. 10148

Held Monday, April 12,7:00 p.m.20

Mr. Osborne: You don't know that – they've only documented one year. Secondly, we paid \$112,000 for interconnects and valves to connect, or actually to allow Aqua to connect to our water lines. That's a total of \$207,000 and that's only costs that I've been able to uncover myself as just a regular citizen. You know there's more costs. Nobody wants to know what expenses you've incurred. And to follow up on this gentleman's question and the reply that I heard up here – there are waterlines that we do maintain. We transport this water all the way out to wherever, outside the City, Aqua taps onto our lines and we have to maintain all of those miles of lines to wherever the two interconnects that Aqua connects to our lines. Thank you.

Mr. Revoldt: Thank you, Chuck.

Mr. DeOrio: If I may.

Mr. Revoldt: You may.

Mr. DeOrio: Just to clarify one point – when you read from the contract that's proposed regarding the interruptions of service, the line that you read was "in the event of disruptions or interruptions of service, the City shall not give preference or priority to customers other than Aqua. Rather all customers shall be treated equally."

Mr. Osborne: And those are contradictory – I (inaudible – from audience)

Mr. DeOrio: Well what you didn't read though is the next sentence which I think gives you an explanation of what happens if we do interrupt their service. "A water supply interruption, that prevents Aqua from obtaining the minimum of 200,000 gallons per day for a consecutive 10 day period shall relieve Aqua of the Minimum Purchase for the period of the interruption." So, if you think about it in laymen's terms, what we're saying is we can't provide to you for 10 consecutive days the minimum amount of water that you want, you don't have to pay for it. Why would we have them pay for water that they're not getting?

Mr. Osborne: That doesn't undo what it says here

Mr. DeOrio: No, it does, Chuck, it says, if we fail to provide the water for 10 consecutive days, if it's 2 consecutive days, they still have to pay – it's more – it's 10 consecutive days period. And then all it does is relieve them of having to buy water that we didn't sell them.

Mr. Osborne: How does it benefit us?

Mr. DeOrio: It doesn't punish us as you've lead us to believe, that as Mr. Snyder pointed out, that we have that – there's no danger to the citizens regarding the fire safety or sufficient amount of water which you've lead us to believe by saying that the City shall not give preference to Aqua and Aqua is going to get this amount of (inaudible).

Mr. Osborne: It shows your holding out for Aqua's financial interest.

Mr. DeOrio: No, it doesn't.

Mr. Osborne: (inaudible) At any rate, the first two sentences contradict each other and I was going to ask this last week and politely point it out to you, but I was not allowed to present this to you. I don't know if the Law Director has seen that, first you say, we cannot provide preference to anybody other than Aqua – then it says – all customers will be treated equally – well I mean.

Mr. Nilges: It's a clarifying statement.

Mr. Osborne: Well then, the first sentence needs to be removed or changed or something – it's – and then, the comment that you made about, well obviously, if we're not able to provide them the water, they're not going to pay for something they're not getting.

Mr. DeOrio: So, yeah, that makes the point – then your point is really moot because there is no danger to the City which is what you're leading us to believe that there's going to be a shortage of water. There's not.

Mr. Osborne: This contract is not...

Mr. DeOrio: Well, I'm not talking about all the other points. I just wanted to talk about the one point that I didn't think you went far enough to read

Mr. Osborne: (inaudible – from audience)

RECORD OF PROCEEDINGS

Minutes of

COUNCIL OF THE CITY OF NORTH CANTON

REGULAR

Meeting

DAYTON LEGAL BLANK, INC. FORM NO. 1014R

Held Monday, April 12, 7:00 p.m. 2010

Mr. DeOrio: Well, that's your opinion. And we have a different opinion.

Mr. Osborne: And then you turn around and say, you're going to be treated equal – well which is it? Either we're going to give them preference or we'll treat everybody equal. The contract needs to be cleaned up there. That's all I'm saying.

Mr. Revoldt: Please have a seat.

Mr. Osborne: Thank you.

Mr. Revoldt: Thank you. If you have additional concerns or questions, I would encourage you to submit them in writing to the Clerk and she will distribute those to Council and the Law Department. Chuck, I'm just going to rapid respond in a very broad way. You know this is a government of the people, by the people, and for the people – hold on a second – we're as good as the people who sit in this body – some from time to time bring great strengths – some probably that I've showed with (inaudible) that have probably brought a lot to the transaction. The fact of the matter is, this group represents the community and as such, we're not always going to make good decisions. We're going to make mistakes. That's just part of human nature. The challenge out here for us is to (A) recognize if we've made a mistake, and (B) is, see if we can correct it to the best of our ability. I wish we were all Phi Beta Kappa's – I wish I was – it would make my life a whole lot easier, I'd probably be a lot richer. I'm not. But the fact is that when you look at how this process worked, the question is have we learned something from the criticism – whether it's justified or not, I think the answer is, in this particular instance, yes. How so? This contract was negotiated by a team of individuals – the Administration, the Director of Finance, the Law Department, Members of Council – sat and negotiated this document. We had many eyes and many hands on the document. Number 2, is we have discussed this. We're going to discuss it again, we're not going to push it through on an accelerated basis. Our plan is to deliberate over a month's time. We believe that all that can be said should be said during that period. So I think we are trying to take input into this process, but I think for the students here again, you know, we want to encourage people to run for public office and hold public office but we also have to understand that while we strive for success 100% of the time, we're not going to get it. There are many votes that I can look back over the course of 30 years and I'm sure Doug would probably draw the same conclusions. I wish I could do it again knowing what I know now. You learn – hopefully you deliver a better product the next time around and I think for this instance, this group, this body, this Council, this Administration has really tried to deliver a pretty good product and you're going to have another chance to weigh in – weigh in with the Clerk and we'll certainly welcome your comments.

Mr. Osborne: (from the audience – Daryl, you say (inaudible))

Mr. Revoldt: Mr. Osborne, you're not recognized by the Chair.

Mr. Osborne: I presented this to you four years ago and nobody acted on it.

Mr. Revoldt: Mr. Osborne, we seem to have this perennial issue, not perennial, constant issue, where you interrupt from the floor. Now, you are in violation of the Rules of Council. If you hold us to a high standard, then my expectation is that you will obey the rules of this forum no matter who presides and the rule is, that before you speak, you will be recognized by this Chair. You will not interrupt, you will not stand up, you will not approach that microphone until the President of Council acknowledges and authorizes you to do so. And if you cannot obey that simple requirement, then we are going to have to find another method to moderate your behavior. You have had ample opportunity to engage in discussion tonight. Please don't abuse it by interrupting. This matter is closed now unless there is someone else who wishes to discuss the water treatment – water. Alright, let's move on to our next subject. Mr. Covey. I would remind you that the Chair will give you exactly five minutes.

Mr. Covey: Rod Covey, 35 Auburn Ave. SE, North Canton. I'd like to speak a little bit about the Veteran's War Memorial that 30 months ago was born right in this very room as some of you recall. I think only three of you were there at that meeting, only two people behind me, to my knowledge were at this meeting. Anyway, 30 months later, it's still an issue and I'm here to update you, if I may, on a couple things. We did have a very very nice public meeting just four days ago in the library and we had some Veterans there – a mother and a daughter of a Veteran and we had many other guests. It was a good solid meeting. The little girl who won the second prize in the Hoover Elementary School contest (inaudible) kids wrote essays and she was there and we read hers as the girl who won the first prize read her essay to you all about two months ago. It was a very good meeting. It was all, of course, to congratulate and honor the Veterans and they thanked us very much for that. Speaking of the Veterans – something bothers me – this committee – some of you read this in this morning's paper – it's an AP story on the treatment we are giving Veterans in the United States and guess which state ranks the lowest in the two areas that are most important to the needs of the Veterans –

RECORD OF PROCEEDINGS

Minutes of COUNCIL OF THE CITY OF NORTH CANTON

REGULAR

Meeting

DAYTON LEGAL BLANK, INC., FORM NO. 1014R

Held Monday, April 12, 7:00 p.m. 100

starts with an O and ends with an O. But we are the worst state in taking care of the Veterans medical needs and also their needs for getting responses to the questions that they are asking of the Veteran's Administration. That kind of bothered me a lot and I'm sure it will you and it should. But, we had another meeting with another group of folks who are concerned about this and they have their own ideas. This meeting was not quite as cheerful or satisfactory as it should have been but I was asked to represent the original group of which I am President, and I did. I was asked to bring an agenda which I did bring - I brought a list of 15 ideas - 15 thoughts to be considered, and you all have a copy of that. We only got through 2 or 3 of them, unfortunately, but the other 13 should and must be addressed because they are extremely important to this project and to the satisfaction of those (inaudible) especially (inaudible) this memorial from day 1 and we're told it's going to look like x and be up by x but it ain't up by x. It doesn't even look like x. So that's what that meeting - then that - this is what I heard - oh, the only person that heard all 15 responses by coincidence happened to be Mayor Held because Monday night I arranged for the first time a meeting with him to talk about this and a couple other things, and at that meeting I did quickly go down the 15 items, Mayor, if you recall - very briefly covered all 15 in less than 20 minutes and the Mayor understands that, and I would like to share those - the answers to those other 13 questions - all 15 to you, as soon as I can. One - the biggest tragedy of this delay, I think is in my hand here - what this is - in the *Repository*, we all read the obituaries every day and as you know, as you start reading through them you will see obits that were maybe that long - 300 words, but they're all (inaudible) for those who served. It'll say what, for example, John Smith served in the US Navy during World War II or Bill Brown served in the Korean War, and so forth. At any rate, this is one week's worth from the *Canton Repository* of Veterans who passed away during one week only - the last week of March. So, here we go, here's Dave Risaliti, Army Veteran; Dave McLaughlin, US Marines, US Navy and on and on and on - it must sound like a broken record because it is. Again this is only one week and these are the Veterans who passed away during the last week of March and they are roughly just a small fraction of the 38,000 Veterans in this County who we should honor with this memorial and get that up as soon as we can. After that, I need a drink of water. Sorry about mentioning water. Thank you very much.

Mr. Revoldt: Thank you Mr. Covey. Is there anyone who wishes to address this matter of the Veteran's Memorial? Welcome back, Mr. Repace.

Mr. Repace: Yeah, thanks. You know - well - Jim Repace, 1353 New England Drive SE. I said to Council before, I didn't want to be one of those who continually came up to this microphone and I really don't want to do that and I don't like doing that, but Mr. Covey continues to talk about the Veteran's Memorial as if he's in charge - as if he's part of it. He's not part of it, he's not in charge, he is not our Chairman as he publicly continues to say he is. Jim Dansizen is our Chairman. In fact, Mr. Covey is not even on the committee. He continually says that we delayed this project. When Tom Chufar has told Mr. Covey on numerous occasions why there has been some setbacks in the construction of this project. Tom Chufar has said it publicly. Mr. Covey called this meeting at the library. There was about 15 people there - 3 of them were his family members and 4 of those consisted of me, Jim Dansizen, Kenny Dansizen and Tom Chufar. So that really limits it, plus that little girl who did the essay. This project is continuing forward. If Mr. Covey continues to try to interrupt our project, he - without him coming right out, he is interrupting our fund raising, he has said that people want their money back, and why is that? Why is that, what is he saying to those people? In fact, Jon, you were at our meeting. We had a meeting with them where we tried to explain everything to him which he really refused to understand and listen to what we were trying to say. Jeff, you were at the meeting. He was very uncooperative. You know, I don't know what more to do than what we're doing to try to get this project underway. We're real close to starting the project. It's going to be a beautiful project. We're going to put a banner - well I don't know if you'd call it a banner, but some kind of billboard - small billboard up in Bitzer Park which Tom Chufar is involved in, letting the public know that this is the future site of the Veteran's Memorial. We have been meeting with the contractors. We've got all our estimates in now. In fact, they all came in Friday. We need to - our committee needs to get together. There's a lot of things going on here. But with Mr. Covey's interruptions, you know, he doesn't - I don't know what his motives are. He doesn't have a survey. He doesn't have the architectural design. He doesn't come to our meetings. He doesn't have anything to do with the project and most of all, he doesn't have the plaque. So, what is he doing, you know, let this committee, which is a very fine committee, which I've stated before - let us do our job and let us get this project done. We're close to starting and, you know, yes, there has been some setbacks, but a lot of it had to do with IRG and the negotiations with the City and, Mayor, you're aware of that. I mean we were ready to go at one time and if we would have, the wall would have had to come down. So, it's a good thing we didn't start, plus we just got the plaque back in February. So, good grief - I mean enough, Mr. Covey, is enough on this project. We, as our committee, are anxious to get this thing going as much as anybody else. Just let us do our job for crying out loud. And, Marcia, he keeps bringing your name up and you know I know that you're trying to be kind and lend an ear and you should be commended for that, but I caution you

RECORD OF PROCEEDINGS

Minutes of

COUNCIL OF THE CITY OF NORTH CANTON

REGULAR

Meeting

DAYTON LEGAL BLANK, INC., FORM NO. 10148

Held Monday, April 12, 7:00 p.m. 2010

Mr. Revoldt: Jim, let me just halt you right here, and I don't mean to interrupt, but I think the fact of the matter is that this Council has adopted a Resolution authorizing your committee to go forward. We imposed a number of requirements before the project could be complete – those requirements have virtually been met – I believe there's one minor outstanding issue and I don't think our the Council – I think I can speak for Council – the commitment has not changed. It is our expectation and we understand these things don't move with flawless precision. It's going to flow over a period of time. We're confident you can pull this off.

Mr. Repace: Well, we're doing our best to pull it off and our commitment holds true to Council. So,

Mr. Revoldt: And we're committed to the project, so get her done.

Mr. Repace: Alright, thank you.

Mr. Revoldt: Okay. Veteran's Memorial – anyone else? Alright, anything else that needs to come before the Council before we get to business this evening?

Mr. Fronimo: Steve Fronimo. I live in Plain Township – 1641 Firestone Road. We have a property on Main Street – 1224, 1240 – it's North Main. I'd like to wish everyone a Happy Easter. I'm going to try to do this very respectfully. I called the Council Members, spoke to the Mayor at a Town Hall Meeting couple weeks – maybe about three weeks ago. Everyone should have gotten a letter in their mailbox, e-mail, made some phone calls – I'm going to keep this very general, I don't like to point at anyone. As a taxpayer and someone who takes part in North Canton as your neighbors, I expect to have the respect, the courtesy when I make phone calls to have the call returned. I had some other issues with people in North Canton in the past couple years and it was resolved by my Council Member – Councilman Dan Peters. I appreciate anytime I deal with the City to have interaction between me (inaudible). I don't appreciate trying to blow me off because you don't agree with my policy, my political stance, therefore, I try to keep things very civil. Sometimes they (inaudible) get a little heated so (inaudible) because I have (inaudible) most of you here on Council. I would just appreciate in the future, hard work with everyone on a very simple civil matter so we can get things done in the City, especially when time is limited because I know money is tight and out of respect to return a call if I may call and I'll respect your position on that whatever it is. I apologize for any inconvenience I have caused anyone but I expect the same in return from you.

OLD BUSINESS:

8. Mr. Revoldt: Thank you. Is there anyone else who wishes to address the Council? Seeing none, then let's move on to Old Business. Item 8 is a motion to read by title only, second reading, excuse me, Item 8, I think we'd like to table Ordinance No. 23-10. May I have a motion to table Item 8, Ordinance No. 23-10?

Mr. DeOrio: So moved.

Mr. Davies: Second.

Mrs. Kiesling: Why are we tabling it?

Mr. DeOrio: The discussion we had last week is we didn't want this ordinance to move forward until the Engineer had an opportunity to open the bids for this professional services agreement because we believe it would come in considerably less than \$250,000 and as a result of that we would need those saved dollars to apply to Ordinance No. 32-10, which is not sufficient in the amount that is available in the line item.

Mrs. Kiesling: Alright.

Mr. Revoldt: Okay, there's a motion

Mr. Davies: I seconded.

Mr. Revoldt: It's been moved and seconded, Clerk...

Mr. DeOrio moved and Mr. Davies seconded to **table the third reading** of Ordinance No. 23-10. All members present voting:

Yes: Kiesling, Peters, Revoldt, Snyder, Davies, DeOrio, Foltz.

No: 0.

RECORD OF PROCEEDINGS

Minutes of COUNCIL OF THE CITY OF NORTH CANTON

REGULAR

Meeting

DAYTON LEGAL BLANK, INC. FORM NO. 10148

Held Monday, April 12, 7:00 p.m. (10)

9. Mr. Revoldt: Item 9. A motion to read by title only, third reading, Ordinance No. 27-10.

Mr. DeOrio: So moved.

Mr. Davies: Second.

Mr. DeOrio moved and Mr. Davies seconded to **read by title only, third reading** of Ordinance No. 27-10. All members present voting:

Yes: Peters, Revoldt, Snyder, Davies, DeOrio, Foltz, Kiesling.

No: 0.

Ordinance No. 27-10 – 3rd Reading – Ordinance, Rules & Claims

An ordinance amending Chapter 145 PLANNING COMMISSION, of the Codified Ordinances of the City of North Canton by the addition of the requirement that all meetings of the Planning Commission be transcribed verbatim.

Mr. Revoldt: I think it's pretty self-explanatory. May I have a motion to adopt the third reading of Ordinance No. 27-10?

Mr. DeOrio moved and Mr. Peters seconded to **adopt the third reading** of Ordinance No. 27-10. All members present voting:

Yes: Revoldt, Snyder, Davies, DeOrio, Foltz, Kiesling, Peters.

No: 0.

10. Mr. Revoldt: Item 10. A motion to read by title only, third reading of Ordinance No. 28-10.

Mr. DeOrio moved and Mr. Davies seconded to **read by title only, third reading** of Ordinance No. 28-10. All members present voting:

Yes: Snyder, Davies, DeOrio, Foltz, Kiesling, Peters, Revoldt.

No: 0.

Ordinance No. 28-10 – 2nd Reading – Ordinance, Rules & Claims

An ordinance amending Chapter 147 ZONING AND BUILDING STANDARDS BOARD OF APPEALS, of the Codified Ordinances of the City of North Canton, by the addition of the requirement to provide verbatim transcription of all meetings of the Zoning and Building Standards Board of Appeals.

Mr. Revoldt: I think that's self-explanatory. May I have a motion to adopt the third reading?

Mr. DeOrio moved and Mr. Davies seconded to **adopt the third reading** of Ordinance No. 28-10. All members present voting:

Yes: Davies, DeOrio, Foltz, Kiesling, Peters, Revoldt, Snyder.

No: 0.

11. Mr. Revoldt: Now, Mr. Snyder, may I have a motion to table Item 11, Ordinance No. 29-10, pending the additional amendments to the rules?

Mr. Snyder: Mr. President, I move that you table Ordinance No. 29-10, the third reading.

Mr. DeOrio: Second.

Mr. Snyder moved and Mr. DeOrio seconded to **table the third reading** of Ordinance No. 29-10. All members present voting:

Yes: DeOrio, Foltz, Kiesling, Peters, Revoldt, Snyder, Davies.

No: 0.

NEW BUSINESS:

12. Mr. Revoldt: Moving on to New Business...

Mr. DeOrio: Mr. President, point of order?

Mr. Revoldt: Yes.

Mr. DeOrio: On Item 12, or on Ordinance No. 32-10. I was anticipating amending the amount. Is it more appropriate to – how do you want to handle that? Do you want to do that at this reading or just...

Mr. Revoldt: I'll tell you what, let's do it now. I'll tell you what, let's do it right now. Can we have a motion to amend...

RECORD OF PROCEEDINGS

Minutes of

COUNCIL OF THE CITY OF NORTH CANTON

REGULAR

Meeting

DAYTON LEGAL BLANK, INC., FORM NO. 10148

Held Monday, April 12, 7:00 p.m. 2010

Mr. DeOrio: I would like to amend Ordinance No. 32-10 to read "at a cost not to exceed \$50,000".

Mr. Revoldt: That is a motion, is there a second?

Mrs. Kiesling: Second.

Mr. DeOrio moved and Mrs. Kiesling seconded to **amend Ordinance No. 32-10** to read "at a cost not to exceed \$50,000". All members present voting:
Yes: Foltz, Kiesling, Peters, Revoldt, Snyder, Davies, DeOrio.
No: 0.

Mr. Revoldt: Now, may I have a motion to read by title only, first reading Ordinance No. 32-10, as amended.

Mr. DeOrio moved and Mrs. Kiesling seconded to **read by title only, first reading, as amended**, Ordinance No. 32-10. All members present voting:
Yes: Kiesling, Peters, Revoldt, Snyder, Davies, DeOrio, Foltz.
No: 0.

Ordinance No. 32-10 – 2nd Reading – Street & Alley

An ordinance authorizing the Mayor of the City of North Canton, through the Board of Control, to enter into a professional services agreement for the design of the Hoover District Streets Rehab/Replacement Project at a cost not to exceed \$50,000 and declaring the same to be an emergency.

Mr. DeOrio: Mr. President, I apologize today, Members of Council and to others for the lateness of this amendment. Just prior to the meeting commencing tonight, I had an opportunity to speak with the Director of Finance regarding this matter and he informed me that there was another bill that had been paid out of this line item since we last met to about approximately \$7,000 and he felt that it was in line with what and I and the others on Council, we all talked about before, not authorizing legislation that would exceed the line item amount; that we lowered this then to \$50,000 and then wait for some of these other things to transpire as we had. So, I apologize for that unscheduled deviation. I appreciate all of your support in allowing us to amend that.

Mr. Revoldt: Mr. DeOrio, correct me if I'm wrong, but this particular project – the project referenced in this ordinance as well as the tabled 23-10, are to be financed exclusively by the JRS Grant, correct?

Mr. DeOrio: That is my understanding.

Mr. Revoldt: May I have a motion to adopt, are there any other statements to be made, or questions or comments on 32-10?

Mr. DeOrio: I move we approve Ordinance No. 32-10, as amended.

Mr. Davies: Second.

Mr. DeOrio moved and Mrs. Davies seconded to **approve, as amended**, Ordinance No. 32-10. All members present voting:
Yes: Peters, Revoldt, Snyder, Davies, DeOrio, Foltz, Kiesling.
No: 0.

12. Mr. Revoldt: Item 13. A motion to read by title only, first reading, Ordinance No. 33-10.

Mr. DeOrio moved and Mr. Davies seconded to **read by title only, first reading**, Ordinance No. 33-10. All members present voting:
Yes: Revoldt, Snyder, Davies, DeOrio, Foltz, Kiesling, Peters.
No: 0.

Ordinance No. 33-10 – 2nd Reading – Water, Sewer & Rubbish

An ordinance authorizing the Mayor of the City of North Canton to enter into an Agreement by and between the City of North Canton ("City") and Aqua Ohio, Inc., fka Consumers Ohio Water Company ("Aqua"), an Ohio public utility corporation for the sale of water to Aqua, that supersedes and replaces the Agreement between the City and Aqua that was executed on April 18, 2005, and declaring the same to be an emergency.

Mr. Davies: This is the revised agreement – the new agreement – we opened up the talks again with Aqua with new pricing and so forth. Let me ask you, are we planning on passing this on emergency this evening?

RECORD OF PROCEEDINGS

Minutes of COUNCIL OF THE CITY OF NORTH CANTON

REGULAR

Meeting

DAYTON LEGAL BLANK INC. FORM NO. 10148

Held Monday, April 12,

7:00 p.m.

100

Mr. Revoldt: No.

Mr. Davies: We're going to do several readings on this. I would recommend that we clean up that language that Chuck eluded to. Just, you know, so it's crystal clear to residents that in no way is their water going to get shut off in deference to Aqua. Okay, I understand, I believe it's okay, but I don't somehow the City is going to give Aqua deference if there's a problem with water over the citizens of North Canton because it's not the case and it should be crystal clear.

Mr. Revoldt: Chuck, I have taken the liberty of inviting you to make additional written comments. If you would be kind enough to provide some structure to those comments rather than sort of a free-flowing argument, if you will take the format of this agreement and the paragraphs are numbered, and if you would prepare your comments consistent with each of the numbers, I think that would be helpful for all of us. Fair enough.

Mr. Snyder: Mr. Chairman, I think it is important that the genesis of this contract be pointed out to both Council and to the citizens here. Number 1, the purchase is for 200,000 gallons per day to a maximum, if the City has it at 2 million gallons. It's not guaranteeing them 2 million gallons per day, number 1. Number 2, the rate is \$3.60 per thousand which is a published rate in the ordinance for bulk water purchases. We didn't arbitrarily come up with a number contrary to what some people might say. That is a published bulk water rate that this Council agreed upon. Number 2, in there it says within the first year there are no water rate increases to them but for the next nine years there can be up to 3%, up to 3% of the increase of the inside rate. There is also, we've eliminated the limitation upon service area, which was a big part in the last agreement...

Mr. Davies: We have to expand into it

Mr. Snyder: Correct. If we have that ability. It is for a ten year with an automatic, if we so elect to have an additional five years. However, to your, Mr. Chairman, to your concerns last week, it was also included, should the cost of chemicals and electricity exceed 20% of the floor price, of the production of water, which is at present, I think \$1.64-5 - if it exceeds that more than 20% in any 12 month period, it gives us the right to eliminate or come out of the contract without being breached. So those are things that have to - but again, I mean we could argue all day long whether we're making money or not but I mean, as you've said, everybody has looked at it and if they can figure out some way that we can take \$650,000 which this contract potentially gives the water fund, by not entering into this agreement, by selling to somebody, to whom I don't who it would be but I'm sure we would consider it. If there's a possibility there's that many customers out there looking for North Canton water that want to give us \$648,000, we'll gladly talk to them. But at this point, I don't think there's anybody out there that can consume 187 million gallons of water. And if there is any resident that could possibly even begin to get close to that, I'm sure that we could look at them, Mr. Osborne included, and give them an inside rate -

Mr. Revoldt: Bulk rate.

Mr. Snyder: Bulk rate. There's not a problem but if they can consume 187 million gallons of water next year, we'll gladly look at it and charge them \$3.60 per thousand. But, again, I don't know what the average resident uses but...

Mr. Davies: Very quickly, I do want to say, Chuck - you and I talked about this. In business, businesses often come up with rates for special customers where you back out the fixed costs because they're paid for. You don't have to worry about those. I've done it in a previous business where we had clients that wanted to give us x amount and they wanted certain prices and you refigured your costs. You figured the consumables, you know the cost of electric and so forth. If the cost of employees didn't go up or the rent doesn't go up, etc. etc., you can give them a cheaper price and that's done commonly in business. It's done every day. It just is. Now, you can argue - well, we're not going to argue this, Chuck.

Mr. Osborne: I'm not arguing, I'm just

Mr. Revoldt: Mr. Osborne,

Mr. Davies: You weren't recognized, Chuck. Cool it. And you know, you can debate it, but it's commonly done. It just simply is.

Mr. Snyder: I think the word is Wal-Mart, isn't it?

Mr. Davies: Well Wal-Mart is a perfect example.

RECORD OF PROCEEDINGS

Minutes of

COUNCIL OF THE CITY OF NORTH CANTON

REGULAR

Meeting

DAYTON LEGAL BLANK, INC., FORM NO. 10148

Held Monday, April 12, 7:00 p.m. 2010

Mrs. Kiesling: I have a question for Alex. What is our late fee? What do we charge residents if they're late monthly?

Mr. Zumbar: Well, the fee is built in – it actually spells it out in the ordinance and I'll read that out to you here.

Mr. Revoldt: While you're looking, and it's my earlier point, I think the fact that this contract was amended in a week to include a provision that, I think Jeff had raised about energy, illustrates, I think, what ought to give residents some degree of confidence that we haven't steamrolled this thing through the legislative process. We're really trying to take a good deliberative approach. And, I think again this is evidence of that and we may make some additional amendments if warranted.

Mr. Snyder: Mr. President, I think it's important to point out also that the Superintendent of the water production was involved from the beginning right up to the last and his input was very valuable to us and we did consult him – I don't know on the previous contract because I was not the architect of that, but on this particular contract, and he is by far, at least the closest thing we have to anything to be expert in the production of water in this area so I think

Mr. Revoldt: So anyone who has even feelings about this can send a postcard to Rich Steinhebel's home, right? And his telephone number is listed, correct?

Mr. Snyder: But it is important

Mr. Revoldt: Midnight to 5:00 am, is that it, Rich?

Mr. Steinhebel: (Inaudible – from audience)

Mr. Snyder: It's important to point out that Mr. Steinhebel does drink the water in North Canton, so obviously that

Mr. Revoldt: That's what's wrong with him

Mr. Snyder: When he quits drinking it, then we've got a problem

Mr. Zumbar: Marcia, to answer your question, the meter reading and billing is, again, per Ordinance No. 156-04 and it says specifically in Section 2, that all bills for current services together with any additional charges from whatever source, shall be increased by 5%, and the amount so increased shall be the gross bill. This particular Aqua contract, however, allows us to charge up to 12%.

Mr. Nilges: So 1% per month.

Mrs. Kiesling: Right, okay.

Mr. Revoldt: Are there any other questions of this Council before we have a motion to adopt the first reading of 33-10?

Mr. DeOrio: I move we approve Ordinance No. 33-10.

Mrs. Kiesling: Second.

Mr. DeOrio moved and Mrs. Kiesling seconded to **adopt the first reading** of Ordinance No. 33-10. All members present voting:

Yes: Snyder, Davies, DeOrio, Foltz, Kiesling, Peters, Revoldt.

No: 0.

Mr. Revoldt: That concludes our legislative business this evening.

REPORTS:

Mr. Revoldt: Director of Law:

Mr. Nilges: None.

Mr. Revoldt: Director of Finance.

Mr. Zumbar: Yes. I just want to give a reminder that April 15 tax returns are due. If you are going to be filing a request for an extension, you must have it in writing and it must be received or postmarked by April 15. Please bear with us as we do encounter lines and it is getting hectic. Thank you.

RECORD OF PROCEEDINGS

Minutes of COUNCIL OF THE CITY OF NORTH CANTON

REGULAR

Meeting

DAYTON LEGAL BLANK, INC., FORM NO. 10148

Held Monday, April 12, 7:00 p.m. 100

Mr. Revoldt: Administration.
Mr. Wise: No report.

Mr. Revoldt: Mayor.
Mayor Held: Yes, I'd like to thank Councilman Snyder and the Members of Council for the agreement that was negotiated with Aqua. I think that it is clearly an enhancement – it's a much better agreement than the previous one and I believe we're moving in the right direction. That's all.

Mr. Revoldt: Mr. Benekos.
Mr. Benekos: No report.

Mr. Revoldt: Clerk.
Mrs. Kalpac: No.

REPORTS – COUNCIL:

Mr. Revoldt: Mr. Foltz.
Mr. Foltz: No report.

Mr. Revoldt: Mr. Peters.
Mr. Peters: No report.

Mr. Revoldt: Mr. Davies.
Mr. Davies: No report.

Mr. Revoldt: Mr. DeOrio.
Mr. DeOrio: No report.

Mr. Revoldt: Mrs. Kiesling.
Mrs. Kiesling: No report.

Mr. Revoldt: Mr. Snyder.
Mr. Snyder: I think I would be somewhat remiss if I didn't point out Mrs. Kiesling, Councilman Kiesling, had a milestone birthday that we all had the privilege of attending.

Mrs. Kiesling: Well, that's just wrong

Mr. Revoldt: In other words, she's a lot older than she looks.

Mr. DeOrio: She's no longer a teenager.

Mr. Snyder: She did want me to mention that but I told her I didn't know if I'd have time.

Mrs. Kiesling: (inaudible) of you, Jon. Thank you, appreciate it.

Mr. Revoldt: Marcia, (inaudible) (laughter)

Mrs. Kiesling: That must be it, but, wait, wait – let me remind you that I'm still younger than everyone but Hans, so I don't want to hear about it – oh, maybe Alex – I'm not sure how old Alex

Mr. Zumbar: Mines coming up this year

Mrs. Kiesling: Okay, so we're the same age

Mr. Revoldt: Let the record show that everyone wished Mrs. Kiesling a "happy birthday"

Mrs. Kiesling: Thank you.

FINAL CALL FOR BUSINESS:

Mr. Revoldt: And I've done my absolute utmost to extend this meeting until 8:05 or is it 9:05 – it's 8:05 now – we have one final call for business. Mr. Osborne, I would ask if you would be brief.

Mr. Osborne: I'd like to first answer Mr. Davies' comments about how business (inaudible) occasionally allow for variance and sale prices. It's only appropriate for an individual business who takes on a single case. I'll install your carpet for a cut rate price. You're in, you're out – your liabilities, your risks are defined. To make a policy allowing these kind of rates over such an extensive length of time to the exclusion of thousands of other people – this is wrong and

RECORD OF PROCEEDINGS

0045

Minutes of

COUNCIL OF THE CITY OF NORTH CANTON

REGULAR

Meeting

DAYTON LEGAL BLANK, INC. FORM NO. 10148

Held Monday, April 12, 7:00 p.m. 2010

it's not good policy. Now I gave you and several of you projections on rates – a 3% increase for Aqua just over the next five years. The first year the increase will be \$.11. Your projected 5-1/2% increase for residents increases their water by \$.25. Again, Aqua's increases will increase \$.11 a year for five years – the remaining two years \$.12. Residents are increasing \$.25 the first year, \$.27 the second year, \$.28 the third year, \$.30 the fourth year, \$.31. In those first five years of this projected ten years you're talking about, you've increase North Canton water rates \$1.41 over those five years. In the five years for Aqua, you've only increase it \$.57. You're creating such a disparity, as time progresses, you're going to have problems and like I said, Aqua and their parent is the largest US based publicly traded water company. Why are we giving water to them – giving them discounts and breaks? We do not need Aqua Ohio. As I explained to you, and I brought this issue to you 4 years ago, Mr. Revoldt, and back then I was allowed to speak 4-1/2 pages worth – now you've got me down to less than a page and a half. I warned you – you waited 5 years – the loss of millions every year, and now you just mea culpa, well we made a mistake. You try to reassure us and all these people are involved in this deal, and yet many of you were involved in the original deal. So that doesn't give me much confidence.

Mr. Revoldt: Okay, Mr. Osborne, I'm going to exercise my prerogative...

Mr. Osborne: You always do

Mr. Revoldt: ...I certainly do, and

Mr. Osborne: In 10 year term, you're going to regret it, I can tell you that. There is absolutely no reason to do a 10 year term. That is an extreme liability for the City and a great risk.

Mr. DeOrio: Inaudible... entertain a motion to adjourn?

Mr. Snyder: I made a motion.

Mr. Revoldt: Mr. Osborne, there is a motion to adjourn. Is there a second?

Mr. Foltz: He made a motion to adjourn

(talking from audience)

Mrs. Kiesling: Mr. Dansizen wants to speak.

Mr. Revoldt: Alright, Mr. Dansizen. Before we go on, Mr. Dansizen, hold on for a second. Chuck, we can debate until the cows come home whether this was a good deal or a bad deal.

Mr. Osborne: Your consultant told you it was a terrible deal.

Mr. Revoldt: No, that's not what the consultant – you know – you know, Chuck

(everyone speaking)

Mr. Revoldt: Mr. Dansizen, if you'll just indulge me just for a second. Please sit down.

Mr. Osborne: And there's no accountability here – I'm leaving, you don't have to throw me out

(applause)

Mr. Revoldt: I think it's important that the record reflect that the consultant indicated that this particular contract did provide a profit as Mr. Snyder said. The debate and the issue is over the accounting method. The fact of the matter is, I think all of us believe that this contract worked for the City of North Canton by providing a profit from a bulk water sale and this new contract, we believe is equally beneficial to the City. Now, Mr. Dansizen.

Mr. Dansizen: I forgot what I was going to say.

Mr. Revoldt: I can't even remember where I'm at.

(laughter)

Mr. Revoldt: You've got to get up and tell us who you are.

Mr. Dansizen: Jim Dansizen, 502 S. Main Street. Just a reminder this coming Thursday, Vickie Stanley is having a Taste of North Canton at the Fairways Golf Course. It's only \$5 – that includes 2 drinks and we have 16-20 different restaurants going to be there – so come and sample the food.

RECORD OF PROCEEDINGS

Minutes of COUNCIL OF THE CITY OF NORTH CANTON

REGULAR

Meeting

DAYTON LEGAL BLANK, INC., FORM NO. 10148

Held Monday, April 12,

7:00 p.m.

10

Mr. Revoldt: What time?

Mr. Dansizen: 5:00-7:00

Mr. Revoldt: 5:00-7:00 on Thursday.

Mr. Davies: This Thursday – remember this is a non-profit organization. The money that's derived from this will go to, in this case, it is the Fairways – whatever amount of money, if it's \$200-\$300-\$400 – will go to the Fairways – the Fairways has to match it and hire someone. So what they're trying to do is create jobs at least for a certain amount of time. Hopefully, they'll keep the people forever but it's done to create jobs in North Canton.

Mr. Dansizen: (inaudible – from audience) The foundation actually gave the people – the money goes to the foundation and the foundation gives to the people. So we know there's a new job.

Mr. Revoldt: Thank you. Gail, would you be kind enough on Thursday just funnel around a reminder to members of Council. Alright, there has been a motion and a second to adjourn.

Mr. DeOrio moved and Mr. Snyder seconded to **adjourn**. All members present voting:
Yes: Davies, DeOrio, Foltz, Kiesling, Peters, Revoldt, Snyder.
No: 0.

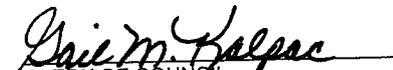
The meeting adjourned at

8:09 pm



PRESIDENT OF COUNCIL

ATTEST:



CLERK OF COUNCIL