

Regular

July 1

2010

Ontario City Council met in regular session on July 1, 2010, in the City Offices, with Council President Daniel Zeiter presiding. The meeting opened at 7:10 p.m. with the Pledge of Allegiance.

The following persons were in attendance when roll was called: Council members Paul Williams, Larry Arnold, Charlotte Hellinger, Leon Blackwell, Mark Weidemyre, Barry Lewis and Joseph W. Cinadr; Mayor Larry Collins, Law Director Allan Sowash, Service-Safety Director Roger Heston, Auditor Jane Hammond, Treasurer Linda Stoodt, and Clerk of Council Cathy VanAuker. Also in attendance were a number of interested employees and citizens.

The minutes of the regular Council meeting of June 17, 2010 were presented for approval. Mr. Blackwell made a motion to approve the minutes, and Mr. Cinadr seconded the motion. At roll call, six members voted Aye, zero Nay, one Abstain by Mrs. Hellinger and the motion to approve the minutes passed.

PUBLIC COMMENTARY

Attorney David Dick, 4894 St. Rt. 13, Shiloh, came before Council on behalf of some Ontario residents to address Ordinance No.10-30, pertaining to mobile homes being used as dwellings.

- Mr. Dick strongly urged Council members not to pass this ordinance.
- This ordinance discourages people to stay in our community.
- Citizens who purchased their homes prior to this ordinance should have a grandfather clause.
- Clarification needs established as to who authorizes the permit, a committee or one person.
- According to the ordinance, a motor home is permitted in the driveway but can't be used as a dwelling. What is the difference if the motor home sits in the driveway or is being used; it is still in the driveway. The purpose of an ordinance should be to protect and improve a community. This will discourage extended family to spend time and money in our community.
- There are some legal issues as to definitions, such as a dwelling house.
- If this ordinance does pass, Mr. Dick asked Council to consider a six month permit instead of a sixty day permit.

COMMITTEE REPORTS

Mr. Arnold reported on the Utilities Committee regarding the Rock Road station. A recommendation was made pertaining to the Poggemeyer Design Group for a specified fee, installation of flow meters and recommending the size of the EQ basin. Since much of this work has already been done the next step is to meet with several engineering firms to discuss how they would assist the City with the construction of the EQ basin based on the specifications provided. Because this will be a public meeting the intent is to have all engineering firms scheduled on the same day.

- Utility rates need increased to support infrastructure improvements.

Mr. Weidemyre referenced the current Fund Report and Disbursements prepared by the Treasurer. The 408 account, 10% Capital Improvement, YTD Fund Report for the first six months is not correct and, therefore, affects the bottom line. Mrs. Stoodt came forward to explain.

- Mrs. Stoodt said, the February Disbursement Report shows the total Occupancy Tax collected, references Ordinance No. 09-40, and the ordinance dated April 21, 2005. Ordinance No. 090-40 states the Occupancy Tax at the end of the month is to be divided 50/50 between the General Fund and Capital Improvement. She was not here in 2005 and did not become aware of this until 2009. The 2005 ordinance states the division of the Occupancy Tax was to expire in 2012, the 2009 ordinance eliminated the expiration

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- date. The distribution into the General Fund and Capital Improvement has never been done.
- The tax received between 2007 and 2009 totaled \$332,646. This was included in the February report to show it was divided properly between Capital Improvement and the General Fund. The Occupancy Tax was not listed in February; that amount was in there at the end of 2009 so when it printed on the Fund Report it showed as the beginning year balance, not in the month-to-date or year-to-date column because it was prior to 2010.
- Tara, from Julian and Grube, was contacted at no charge to the City, to assist with making this correction on the current Fund Report.
- The money was there but does not appear on the Fund Report for 2010. It was there prior and should not be there now. It was taken out.

Mr. Weidemyre said this is crucial because Council made decisions based on these numbers which are affecting employees' lives. He wants to make sure they are making the correct decisions and at this point they are not.

- The month-to-date receipts for June show \$19,624.36. This equates to six months at \$20,000. There should be \$180,000 in the account but it shows \$4,500 which changes the bottom line tremendously.
- As Finance Chairman, Mr. Weidemyre recommended an external audit, and said they can't keep making decisions based in inaccurate information.
- Mrs. Stoodt asked to allow one week for Tara to straighten out the report rather than incurring costs to the City.
- Mr. Blackwell said, they are constantly chasing numbers and would like it worked out so they can trust the numbers. They are making decisions based on these numbers and going to lay people off. Mrs. Stoodt said she took it out of the month and it should not have come out of the month. It was at the beginning year balance, but she took it out of the month.
- Council members agreed to wait a week and if the report is not corrected they will pursue an audit.
- Mrs. Stoodt said, as soon as Tara makes a recommendation she will be in contact with Mr. Weidemyre who will inform Council.

Mrs. Stoodt referenced the Fund reports of May 27 and June 30, 2010.

- May 27 – YTD receipts exceeded expenditures by \$347,271.
- June 30 – YTD receipts exceeded expenditures by \$249,757.
- The \$249,757 includes the \$100,000 received from First Energy. Expenditures are down \$97,533.
- July should be a good quarterly income tax collection. October will also be good due to payment of extensions.
- Rec 581, 582, 583 are NSF checks that have been recovered; Rec is the receipt number for tracking purposes. Previously, only the numbers appeared on the report which was causing confusion.
- Closer to tax season notices about the new income tax forgiveness will be in press releases, the post card will highlight this information, a letter will be sent to all City tax preparers and it will be highlighted on the income tax form. Council members felt notification to residents should not wait until January, the sooner they know of the change they can begin making adjustments. Notice could also be included on the water bills.

Mr. Cinadr reported on the Community Development Process meeting he attended involving the government sector. No decisions were made at this time. Invitations will be extended to all Council members to attend the next meeting on July 27, 2010, at 4:00 p.m.

Mr. Williams, Mrs. Hellinger, Mr. Blackwell, and Mr. Lewis had no report this evening.

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MAYOR'S REPORT

Mayor Collins reported on several items.

- Mayor's Court received \$24,042.05 for the month of June with \$3,958 going to the State.
- Collections on past due fines total \$64,116.
- Four zoning permits were written in June for \$1,100,650.
- Mayor Collins encouraged everyone to participate in the Fourth of July Festival.
- The next Neighborhood Watch meeting will take place on July 13th, at Elmcroft Assisted Living, for the First Ward.

SERVICE-SAFETY DIRECTOR'S REPORT

Mr. Heston's report to Council is attached to the minutes.

Update on the north turn-lane at W. 4th Street and Lex-Springmill in front of the vacant Taco Bell building.

- Any changes to turn lanes or traffic flow can interrupt the opportunity to receive the grant.
- The 'No Right Turn' sign was removed which has greatly improved the traffic flow. The sign was originally placed there because of the ingress into Taco Bell.

Best Buy theft update.

- The Delaware Police Department made three arrests, they are continuing investigations, and doing some search warrants.

Insurance.

- A census was compiled on each employee's health needs.
- Nine companies will receive this information to prepare health insurance packages to investigate budgetary pricing.
- Council must approve authorization to accept bids.
- Mr. Sowash said, caution must be taken that all companies receive the same information and that one company does not receive inside information that everybody else doesn't have. An open bid process prevents this from happening.

LAW DIRECTOR'S REPORT

Mr. Sowash had no report.

MISCELLANEOUS MATTERS

Auditor Hammond came before Council to respond to the residents and employees who have called her regarding the discrepancies between her financial report and that of the Treasurer. Mrs. Stoodt says the City is in good shape financially but Ms. Hammond says the City is in trouble and that she has caused some of the misappropriation.

- Ms. Hammond referenced four reports prepared by the Treasurer that were used as the basis for the decisions that have been made.
- The first report shows the Mayor turned in a budget for \$7.6 million; Mrs. Stoodt gave a projected budget of \$6.2 million.
- The second report, Mrs. Stoodt gave the first quarter YTD Fund Report showing a negative \$501,000. This includes the \$109,000 error she stated, which could be another \$200,000 once corrected, making the deficit \$700,000. Based on her information Council began discussions regarding cuts.

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- The third report, the bank statement, shows \$8.5 million which is barely over what it costs to run the City for one year. Infrastructure and improvements are being discussed but there is barely enough money to run the City for one year.
- The fourth report is the YTD and MTD report. The Month-to-Date Report shows \$100,000 was spent above receipts. That is counting the First Energy \$100,000 received which is shown on the June report, not May, making the total negative impact \$197,000.
- Everyone receives the same information. The Treasurer is responsible for revenue and the Auditor reports expenses.
- Reserves must be kept intact for emergencies as well as next year's budget. There should always be a year's worth in reserve.
- In March there was \$772,000 held in encumbrances, which has been lowered to \$225,000. In March the reserves was \$6.9 million but now it is close to \$8 million. Purchase Orders can only encumber money quarterly which was recommended in the last audit. A super blanket can be opened for the year on items used monthly but these are very specific.
- The budget is based on the amount of reserves. The County Auditor sends a certificate of appropriations which cannot be exceeded in the budget.
- There is a million dollar swing but the reports do not reflect where it came from.
- Ms. Hammond felt based on the numbers she looks at the budget could be okay and not use any reserves but this does not help the infrastructure.
- Expenses are decreasing.
- A five-year plan needs projected for infrastructure rather than depleting reserves.
- Expenses average \$485,000 per month which includes the recent budget cuts.
- An application has been submitted to the approved company that researches available grants. They will inform the City of all possible grants, such as a \$900,000 Parks and Recreation grant, and if the City is interested in pursuing the grant, this company will fill out the application for a \$1,300 fee.

Mr. Zeiter addressed the Mayor to ensure he was aware of the 10% cut to the annual line item of all employees' salaries with the exception of elected officials. If no adjustments are made the funds will run out by mid-November and the entire work force will be laid off. Allowances must be made to cover unemployment expenses so the funds would actually be exhausted by early November. Decisions need made. Either more money will need appropriated to the line items or as of November 1st, there won't be any police on the streets, no plows, or anybody working because there won't be any money. Mayor Collins said he understood.

CONSIDERATION OF ORDINANCES AND RESOLUTIONS

ORDINANCE NO. 10-29

(SECOND READING) AN ORDINANCE AMENDING ORDINANCE 10-13 KNOWN AS THE PERMANENT APPROPRIATIONS ORDINANCE FOR 2010 BY MAKING ADDITIONAL APPROPRIATIONS TO THE ENTERPRISE FUND.

Mr. Blackwell made a motion to amend Ordinance No. 10-29, line item 502-5030-52351, Sewer Line Maintenance, from the amount of \$80,000 to \$47,500. Mr. Weidemyre seconded the motion. Seven members cast their votes Aye, zero Nay, and the motion to amend Ordinance No. 10-29 was approved.

Mr. Williams made a motion to suspend the rules requiring the reading of Ordinance No. 10-29, as amended, on three separate days. Mr. Cinadr seconded the motion. Seven members cast their votes Aye, zero Nay, and the motion to suspend the rules passed. Mr. Williams read Ordinance No. 10-29 for the second time, by title only.

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Mr. Williams made a motion to adopt Ordinance No. 10-29, as amended. Mr. Weidemyre seconded the motion. Hearing no discussion, seven members cast their votes Aye, zero Nay, and Ordinance No. 10-29 was adopted.

ORDINANCE NO. 10-30

(SECOND READING) AN ORDINANCE AMENDING CHAPTER 1145 GENERAL PROVISION OF THE PLANNING AND ZONING CODE OF THIS CITY BY ENACTING A PROHIBITION OF THE USE OF TRAVEL TRAILERS, TRUCK CAMPERS, MOBILE HOMES OR MOTOR HOMES AS DWELLINGS WITHIN THIS CITY.

Mr. Weidemyre made a motion to suspend the rules requiring the reading of Ordinance No. 10-30, on three separate days. Mr. Blackwell seconded the motion. Five members cast their votes Aye, two Nay by Mr. Williams and Mr. Arnold, and the motion to suspend the rules failed. Mr. Arnold read Ordinance No. 10-30 for the second time, by title only.

RESOLUTION NO. 10-07

A RESOLUTION AUTHORIZING THE CITY LAW DIRECTOR TO FILE SUIT AGAINST FORMER SERVICE-SAFETY DIRECTOR CHARLES H. AU TO RECOVER UNAUTHORIZED COMPENSATION AND DECLARING AN EMERGENCY.

Mr. Weidemyre made a motion to amend Resolution No. 10-07 to include, "AND DECLARING AN EMERGENCY". Mr. Williams seconded the motion. Seven members cast their votes Aye, zero Nay, and the motion to amend Resolution No. 10-07 was approved.

Mr. Williams made a motion to suspend the rules requiring the reading of Resolution No. 10-07, as amended, on three separate days. Mr. Weidemyre seconded the motion. Seven members cast their votes Aye, zero Nay, and the motion to suspend the rules passed. Mrs. Hellinger read Resolution No. 10-07 for the first time, by title only.

Mrs. Hellinger made a motion to adopt Resolution No. 10-07, as amended. Mr. Williams seconded the motion. Hearing no discussion, seven members cast their votes Aye, zero Nay, and Resolution No. 10-07 was adopted.

ORDINANCE NO. 10-32

AN ORDINANCE AMENDING ORDINANCE 10-13 KNOWN AS THE PERMANENT APPROPRIATIONS ORDINANCE FOR 2010 BY MAKING ADDITIONAL APPROPRIATIONS TO THE CAPITAL PROJECTS FUND.

Hearing no motion to suspend the rules requiring the reading of Ordinance No. 10-32 on three separate days, Mr. Blackwell read Ordinance No. 10-32 for the first time, by title only.

ORDINANCE NO. 10-33

AN ORDINANCE AGREEING TO COOPERATE WITH AND GIVE CONSENT TO THE DIRECTOR OF TRANSPORTATION TO PERFORM CONCRETE DECK OVERLAYS AND VARIOUS REPAIRS ON TWO BRIDGES OVER SR 309 LOCATED WITHIN THE CITY OF ONTARIO AND DECLARING AN EMERGENCY.

Mr. Williams made a motion to suspend the rules requiring the reading of Ordinance

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No. 10-33, on three separate days. Mr. Cinadr seconded the motion. Seven members cast their votes Aye, zero Nay, and the motion to suspend the rules passed. Mr. Weidemyre read Ordinance No. 10-33 for the first time, by title only.

Mr. Weidemyre made a motion to adopt Ordinance No. 10-33. Mr. Cinadr seconded the motion. Hearing no discussion, seven members cast their votes Aye, zero Nay, and Ordinance No. 10-33 was adopted.

RESOLUTION NO. 10-08

A RESOLUTION ADOPTING THE TAX BUDGET FOR THE CITY OF ONTARIO
FOR THE FISCAL YEAR 2011, AND DECLARING AN EMERGENCY.

Hearing no motion to suspend the 24 hour rule, Resolution No. 10-08 will be read for the first time at the next meeting.

At 8:27 p.m. Mr. Weidemyre made a motion to enter into executive session to discuss compensation of a public employee, per Ohio Revised Code, Title 1, Chapter 121.22, Section G, Number 1. Mr. Williams seconded the motion. At roll call, seven members voted Aye, zero Nay, and the motion passed.

At 8:55 p.m., Mr. Williams made a motion to reconvene into regular session. Mr. Cinadr seconded the motion. At roll call, seven members voted Aye, zero Nay, and the motion passed.

At 8:56 p.m., there being no further business to come before the meeting, the same was adjourned upon a motion by Mr. Cinadr and a second by Mr. Williams. At roll call, seven members voted Aye, zero Nay, and the motion to adjourn passed.

President of Council

Clerk of Council

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SSD REPORT 7.1.10**POLICE DEPT:**

We have received a letter of resignation from 10 year veteran Officer Don Wallis, who has elected to honor his country by serving in the United States Army.

Ontario Officers have investigated a man passing counterfeit money, recovered \$580 in fake \$20 bills of them, and made an arrest. OPD has now involved the US Secret Service.

There is also an active investigation into the passing of counterfeit Traveler's Checks by a different individual.

Calls numbered 346 as follows: 13 crashes, 1 hit-skip, 29 alarm drops, 6 suspicious persons or circumstances, and 1 B&E, 7-911 calls, 24 arrests and 69 traffic stops.

The Chief requested that I notify the public that the next Neighborhood Watch meeting will be at 6:30 on July 13th at Elmcroft located at 2010 Walker Lake Rd.

STREET DEPT:

The June 23rd storm caused a power outage at the Elizabeth Ave lift station which necessitated pumping for 17.5 hours. 14 traffic lights were without power, but 7 operated successfully on battery backup. Crews had to remove limbs and trees from the streets.

Since the last meeting, I have learned that ODOT will, in fact, be cutting across the eastbound lane of SR309 for the purpose of extending the storm culvert. PAW construction will be started on July 6th and the eastbound lane will be closed for the remainder of July. Eastbound 309 will be done after PAW is completed. All of SR309 will be open for the holiday celebration.

The crack sealing program has been slowed by the weather, but we are still ahead of schedule, and the material is going further than expected. Because we have only used half the material, we have added more streets to the schedule. This project will result in a large savings to the City. Work schedules for the crew will be temporarily altered to provide for safer conditions when sealing high traffic areas.

WATER DEPT:

The Water Treatment Plant Supervisor will be attending a free seminar provided by the Ohio Rural Water Association and the EPA regarding future requirements. Since the EPA is cutting back on manpower, more work will be required by our employees to comply with State mandates.

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Meters have been read and all zero readings have been investigated. Billings went out yesterday and today.

SEWER DEPT:

At the last meeting, I mentioned a potential problem with the #1 pump at the Rock Rd lift station. On Monday, the pump failed and there was an overflow. As a temporary measure, the 35 foot deep pump was pulled with the assistance of Spring Electric and replaced with a smaller pump we had on hand. Our pumping capacity is now diminished by 6,000 gallons per hour. Any overflow event may also potentially result in sewer backups for residents. Gorman Rupp's turnaround time to repair our pump is about 2 months, which is a long time to risk backups. A new pump costs \$25,901. Gorman Rupp has one rebuilt pump in stock at a price of \$20,720, which can be altered to fit our needs in 2-3 weeks. Paul Gleisinger and Gorman Rupp have worked out a discount of \$8,720 on the rebuilt pump. We can now get it for \$12,000 if we act before anyone else. Since the availability of these pumps is so limited, and we will be operating the Home Rd Lift Station for a long time, we intend to purchase this pump and have ours repaired for future emergencies. There are adequate funds in the equipment account for this purpose. This issue will go before the Board of Control tomorrow.

FIREWORKS COMMITTEE:

I would like to remind the public that Ontario's celebration is on Saturday, July 3rd. All plans have been finalized and we are ready to go. Raffle tickets are still available and the prize list is longer and better than ever before. Tickets will also be available at the event, as well as 50/50 tickets. Volunteers are still needed. The web address is www.ontario4thofjulyfestival.com.

PARKS DEPT:

Much preparation for the Independence Day celebration has been done in Marshall Park.

RECREATION DEPT:

Mrs. Vancura stated she will have a report at the next meeting.

ENGINEERING DEPT:

We are currently developing a selection process for choosing a firm to construct an EQ basin. Interviews will be scheduled for July 13th.

The Engineer attended a meeting at the ODOT central office in Delaware on June 22nd about changes in federal requirements for bridge inspection and classification reporting and about the resurfacing of the W 4th St Bridge.

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In order that we can show progress in our upcoming report to the EPA to resolve the overflow problem by installing the SSO pipe at Rock Rd, I respectfully request that council waive the 3 reading requirement for Ordinance 10-29 (as amended).