

OCTOBER 27, 2008

5:00 P.M.

At 5:00 p.m. a Regular Meeting was held by the Sandusky City Commission in the City Building Commission Chambers, 222 Meigs Street, with City Commissioners Dave Waddington, Dan Kaman, Craig Stahl, Dennis Murray, Brett Fuqua, Julie Farrar and Bob Warner in attendance; as well as the Charter Officers of the City Manager Matthew D. Kline, Law Director Don Icsman, Finance Director Ed Widman and the Clerk of the City Commission B. Joyce Brown; and the Fire Chief Mike Meinzer, Interim Police Chief Charlie Sams, Administrative Services Director Warrenette Parthemore, Economic Development Specialist Scott Schell, and Chief Planner Carrie Handy. The audience and the news media were present.

Mr. Waddington offered the **invocation** and everyone remained standing for the **Pledge of Allegiance to the Flag**.

The Clerk called the **roll** and the following Commissioners responded: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner.

Mr. Waddington moved to accept **minutes of October 14th and October 22, 2008**, and dispense with the formal reading. Mr. Kaman seconded and the motion carried.

Under **Audience Participation**, Mr. John Ginty, 5055 Providence Drive, asked if they could go back on the owners of Sandusky Cabinets, because they moved to Perkins?

Mrs. Sharon Johnson, Fifth Street, commented on agenda items.

Mr. John Lippus, Executive Director Sandusky Mainstreet Association, 279 E. Market Street, said he would ask the Commission to pass Item 1 regarding the Rieger Revolving Loan. It's imperative that the project goes forward. The Rieger is going to be apartments and not condos, something that is lacking in downtown and in Sandusky, which are market-rate apartments. He thought many young professionals, as well as empty nesters would be moving into these apartments and with increased traffic downtown they would see businesses flare up. He attended a conference and a gentleman who owned a consultant's firm of Economic Development Visions in Washington, D.C. said you can not develop a rent or commercial without residential near by. Residential is key to commercial development.

Mr. Bob Hagg, Brownfields Consultant, said they would be hearing a public hearing provided by Mr. Schell regarding a federal grant for removing underground storage tanks at the Sandusky Cabinet site. Speaking about the results from their Brownfields' Committee, they recommended the City pursue this grant at this time. One member of that committee asked that they consider an alternative approach to removing the tanks by seeing if the three tanks might qualify for reimbursement under Ohio's Petroleum Fund. He pursued that with the Bureau of Underground Storage Tank Regulations, who sent him to the Petroleum Board where you acquire a tank and a problem and then you pay your back insurance premiums and the fund allows you to claim against the fund when you clean up the tank. He was told by the Petroleum Board that the Petroleum Fund might cover up to a million dollars per release of petroleum, but they have to be in-service as of 1989. We might be able to make that case. The City upon acquiring them would have to pay back, back premiums if you will, of about \$21,000 to cover the three tanks, which is not too bad. But here's the kicker. We would have to bring those three tanks up to current standards, put them back into service and make sure that we have leak detection that worked. Once we made that argument, it's whatever that cost would be. Then we can go ahead and have a problem with it and claim about \$3 million per incident from the Petroleum Fund. Therefore, it is improbable that the Petroleum Fund would work for us, although not totally impossible. It does seem reasonable to pursue this federal grant to deal with these tanks at this time.

Mr. Tim Schwanger, 362 Sheffield Way, said Item 1 maybe they could discuss the interest rates on payback on that Revolving Loan Fund and what the pricing of the apartments would be. It appears to be a very risky project. In the past when we've loaned out RLF dollars, some of those RLF's have not been paid back, so what's the risk factor, what kind of guarantee or paybacks? Item 11 change order for Dutch Lane, how did that project qualify for Water and Sewer Funds?

PRESENTATION - Mario D'Amico promoted to Lieutenant Sandusky Fire Department

President Murray declared the PUBLIC HEARING open for the application for a USEPA Cleanup Grant for Sandusky Cabinets. Mr. Scott Schell, Economic Development Specialist, said giving a little history on the Sandusky Cabinets, the main part of the building was built right around mid-1800. It has been historically a lumber yard and cooperage, Michael Brothers Cooperage, as they can see in the photograph here. It's evolved into manufacture of wood cabinetry and then later fabrication, painting and storage of steel cabinetry. The building that they see today, the main building, the warehouse has grown through the years to over 90,000 square feet. That's the main building basically at the corner of Washington and Warren, as well as the garage facility located at the corner of Market Street and Warren.

Mr. Schell said to give them a little bit of an overview of the property, again the main manufacturing facility, the east and the garage facility to the west, in between is a parcel owned by the Mack Iron Works. We asked for and received permission from the owners of Mack Iron to do environmental assessments on that property at the same time that we did the Cabinet's property. The environmental assessments as he mentioned, Phase I Environmental Assessment, was completed February '06 utilizing U.S. EPA Assessment Grant funding. The Phase II Environmental Assessment was completed this past November. We got a Clean Ohio Assistance Grant Fund of \$121,000 for that Phase II and we did the Phase II work on the Mack Iron property with our U.S. EPA Assessment Funds.

Mr. Schell said the grant we are pursuing right now, is like he said a Petroleum Clean Up Grant. The grant is for \$200,000, 20% cost shared by the City. The grant will help us excavate and dispose of three petroleum underground storage tanks and all ancillary piping. It will give us the money to assess all of the soils we need to test, and removal of all contaminated soils and replacing with clean fill and materials.

Mr. Schell said he would give them just an overview of the property again. Two of the underground storage tanks are on the garage property that they could see outlined in red and the northwest corner and southwest corner, as well as a tank located right off Market Street on the main property. If we're successful getting this grant, we'll have a few more cleanup tasks remaining, one additional storage tank on the property is a xylene tank. Basically xylene is a solvent and it is also used for paint thinning during Sandusky Metal Products' operations. That is not covered by that Petroleum Clean Up Grant so we will have to seek alternatives to pull that. There is asbestos and lead paint abatement inside their buildings that will need to be taken care of prior to ultimately the demolition of the buildings. A potential grant funding source for these remaining tasks, we are currently working with our consultants and we're at this point kind of leaning towards the Clean Ohio Assistance Fund. You can apply for up to \$750,000 for demolition and remedial activity. So we will be working with our consultant, as well as members of the Brownfield Committee to help us come to a recommendation on that. *At this point he would end his brief presentation and open the floor to public input and any questions from Commission.*

President Murray said this is a public hearing. If anyone present has questions regarding this proposal and clean up of Sandusky Cabinets Property, they are welcome to step to the microphone and give their name and address.

Mr. Schell said quickly he would respond to Mr. Ginty's question on the previous owners. It's his understanding, and correct him if he was wrong and he didn't have the history around here, but it's his understanding that Sandusky Cabinets did go out of business so there's no, to his knowledge, existing entity that they could potentially pursue towards remediation. President Murray said that was his understanding as well Mr. Schell. But he assumed in light of the comment that Mr. Ginty made, that he'll go ahead and check that out with the Secretary of State's records. Mr. Schell said he would do that.

Mr. Tim Schwanger, 362 Sheffield Way, asked was this a good time to discuss the future use of that property? He knew that a couple of years ago there was discussion about low to moderate income housing in that area and he thinks as recently as about a year ago at the Sandusky Bayfront Corridor meeting they talked about homes in the range of \$67,000 to \$75,000. So he knew in the paper they talked about an ice rink, some kind of a multi-purpose center, so he didn't know where we were at in that process. Mr. Schell said he thinks as far as the way we're leaning right now, we don't necessarily see that property with a big future as far as residential is concerned. Obviously we would like to have that property become a magnet for our community for members of the community to utilize, whether it's recreational, whether it's a community facility such as an ice rink. But we wanted to

help create something that will generate interest in, bring people downtown, as well as something complimentary that will make sense with our downtown and other development. So specifically we don't have anything tied down, but we are working towards that. President Murray said and to be clear Mr. Schell, those are all questions that this or a future Commission would address once the property is cleaned up. Mr. Schell said correct.

Mr. Kaman said this was just a first step of applying for the grant, to start to clean up, which we will be getting those tanks out first. As we saw in the presentation there are other things involved in getting the cleanup. The Brownfield Committee discussed several things and it's been talked about before, which he feels strongly for, is like a convention center type building. But we're years from that. We're years from it. But it is the feeling of himself and others that something downtown to bring people downtown, you can open up all the restaurants you want downtown, have all the condos you want, but like Columbus, Cleveland, if you don't have something that's going to bring people downtown every weekend, those things are just going to wither and die. So this really needs to come pretty quick, but it's years away yet. So this is just our first step. *President Murray asked were there any other comments or questions from the Commission? As there were none, he asked were there any comments or questions from the public?* **President Murray said seeing no one moving to the microphone, he would declare this public hearing closed.**

Mr. Stahl moved to accept all communications tonight. Mr. Warner seconded, carried.

PREVIOUS BUSINESS

This item was tabled at the meeting of October 14th.

ITEM #1 – Communication – Scott Schell, Economic Development Specialist

BUDGETARY INFORMATION: This action will not impact the City's General Fund. RLF Funds are restricted in use and this loan is within the guidelines of the program. The matching grant from the Foundations will become part of the loan to the company and repayments will be added to the City's Revolving Loan Fund making additional dollars available for other deserving projects. It is estimated that, when complete, the project will result in the hiring of 30 full-time equivalent employees. The new hires will result in additional income taxes for the City.

ORDINANCE NO. FAILED Repealing Ordinance No. 06-096 passed on October 10, 2006; approving and authorizing a Community Development Block Grant Loan from the City's Revolving Loan Fund to United States Construction through its related entities (Rieger Lofts, L.L.C., Rieger Commercial Properties, L.L.C., and 232 Jackson Street, L.L.C.); authorizing and directing the City Manager to execute the commitment letter in relation thereto. It was moved by Mrs. Farrar and seconded by Mr. Stahl that this Ordinance be passed under suspension of rules in full accordance of Section 14 of the City Charter. **Discussion** – Mrs. Farrar said she would like to let everyone know, like on the Marina District Project, there has been securities put into place by our City Manager and Mr. Schell on this project. And like the Marina District, none of the money from the Revolving Loan Fund is going to be disbursed for the Rieger until you have construction and secure and close all of it's financing and is well into their project. So they're not going to get anything until we see things happening.

Mr. Waddington said he met with Mr. Icsman today and picked up some stuff from 2004 because he's been involved in this from the start. And accepting grants, grant options to purchase expired 12-31-06 and he never did a new one, was he correct? Also the second one was Ordinance 05-088 passed 4-25-05, authorizing the execution of the option to lease part from this agreement, which would be vital for this property down there, option to lease and that expired 12-31-06 correct? Mr. Icsman said yes sir. Mr. Waddington said so the parking lease and everything. He was wondering if Mr. Spatz was here tonight. He thinks he's met him one time and he has been on the Commission, this is his fifth year, and they've been back and forth with this thing. He sees it going no where and he would be a "no" vote tonight. As far as apartments, it would be astronomical if it's going to be apartments for rent. He thinks you don't have to be a banker to figure out the math on what the rent would be on these apartments. And he didn't know if looking at the Sandusky Register building or it gets back off the water, somebody's going to pay a big amount for rent in that building. And he thinks it's going to be very costly and he don't see it getting done. They had extended him an extra year, it's December of 2009 correct? Mr. Icsman said correct. Mr. Waddington said and next year was the date that he

would have to spend one million dollars. He don't think \$10 has been spent. He's seen some light bulbs on once in a while when he passed through downtown, but other than the picture and the background and the windows, he don't see a real effort. And that's where he's going to stand.

President Murray said from his part, he thinks that the City has done everything that's been asked of it with respect to this project. We've fulfilled development agreements to the best of his knowledge and he don't think, there isn't a requirement that we go ahead and extend it any further funding to this project. His concern on the flip side is it's a close call for him. It is if that this totally did not proceed, then the building, as he understands it Mr. Icsman and Mr. Kline, it will eventually fall back to the City. And now we have an older building, if Mr. Spatz is not able to find other funding sources, and he is not at all convinced that's the case, then we have an older building that one developer will have taken a pass on, which will cost probably far more than they were talking about in terms of RLF Loans to demolish. If he recalled correctly, it is on the Register for Historic Places. So that also complicates the ability to tear it down. So if we don't develop it, he doesn't really know what it is that we do with it, but he don't think the answer is for the City to go from \$200,000 at risk to \$400,000 at risk.

Mr. Waddington said he's asked repeatedly at this Commission meeting for Mr. Spatz what's going on, if we could get an update. He never has even received any updates as far as what his real intentions were, other than the only time we hear from him is when he wants some money or is working with the bank. This is like a seventh hour; to him it is a desperation shot. Throughout the City, he just don't see this going forward. He wished he would have bailed out a couple years ago when the building, every year it goes by with no heat in there, it's deteriorating more and more. It's just an exorbitant amount of money that we have to put in that building. President Murray said that's a good one.

Mr. Fuqua said they made very good arguments, not only with what they just said now, but conversations they had earlier today. And Mrs. Farrar makes good arguments too, but from his standpoint the only thing that they're doing is prolonging the inevitable, because he said the building will fall back in the City's hands. Well history has shown that it is going to fall back in our hands anyway, because Mr. Spatz has failed to live up to any part of this agreement. And he knows that there are some people that are of the mindset that this is following along the same lines as the Marina District, but he would totally disagree with that because at least Mr. Eymann has been here. You may not agree with the answers that he's given, but at least he's been here to answer questions and he has consistently and continually said that he could get funding. Mr. Spatz's, he was glad Mr. Waddington had met him one time, because he's never even seen the man and they've been on the Commission the same amount of time and they have requested for him to come to answer questions. Again, this was just prolonging the inevitable because it's still going to be ours. It's still going to come back to the City so that means we're going to have to wait another year or two eventually before, he would hope that we wouldn't have to tear it down because it is on the Historical Registry. And he knows he would probably tick some people off with this comment, but to him it is along the same lines as the Keller Building. That building should have come down two or three years ago as should the Rieger Building. So he too would be a "no" vote on this, because it's just going to fall back into our hands whether it costs \$200,000 or \$250,000. It's still going to come down and he just can't see taking money from the RLF to put into this when they could be using it someplace else that's going to be something viable that the City can work with.

Mr. Kaman said he too would be a "no" vote. The only time Mr. Spatz came and as far as he knew putting money into this building, was when we had to barricade the street off because the bricks were falling off and we had to call him to do it. He agreed with Mr. Waddington, he's not sure how good of a tuck-pointing job he actually did because he wasn't there very long. Again as he's said before many times, we got involved in this project, again when they shouldn't have. We got involved because the Foundation bought it and gave it to the City if memory served him right. Not all development is good development. Right now, it's his opinion in this City, we have too many things going on and this is one of the balls that's going to have to fall. Let the chips fall where they may. We can't keep putting good money and losing it. We have a good track record right now, the last several years with our RLF's not going belly up on us. He don't want to go back to the days similar to Lyman Boat

Works and things like that where you lose your money. Now is not the time and we have to be a little more conscious of it.

Mr. Stahl said he met Mr. Spatz at the Revolving Loan Fund Committee, he sat next to Mel Stauffer from the Foundation. He said what do you have in this? He wasn't happy with him and then he started out very adversarial. And then at the end of the day, he started thinking, you know if the Foundation is pulling for this, and this is where we use as a conduit for a lot of people's request, and if they feel strongly enough about this and they feel that there are enough safeguards in there and we trust them as individuals, maybe we the City should trust them also. There's a lot of safeguards in this thing, was he correct Mr. Kline? Mr. Kline said the way the finance deal is constructed, the RLF will be the last money spent. He still has some major hurdles to cross when it comes to making sure that Key Bank is going to commit. He has to sell those credits by the first of November or his committal to Key Bank runs through the end of the year. And the other thing that the agreement has been revised by the Foundations and the Foundations are still committed to their \$200,000. However they made a requirement now that Mr. Spatz has to spend a million dollar on the building by March of 2009. So if he doesn't do that, then we'll be able to dissolve the agreement. He has put together a budget that is very, very, very tight. Can it happen and he will not disagree with Mr. Fuqua, we probably are putting off the inevitable, but you also should give the man a chance to see if he can put the rest of his finance package together. Again, he had spent \$400,000 of only his money. He doesn't receive any money from us unless everything else is put in place and that he's actually spent the million dollars on the building. His only real concern is that the Foundations had indicated to them that they would be returning title from that building to the City. He agreed, we already have the Keller Building, he really don't want two on his desk. Mr. Fuqua said let's tear them down at the same time.

Mr. Warner said he remembered this coming up when it first came up. He was sitting on the other side of the table out there and he told them it was a pie in the sky deal then. He (Mr. Spatz) came to ask first and he wanted money from the Katrina Disaster that they had down there, he tried to get funding through that. He tried to get funding through HUD to do this job and it didn't happen. Katrina funds didn't come through. Through research here, he came in first for a \$100,000 loan from that fund, then the \$200,000 from that fund and now \$400,000 from that fund. He's not a big fan of the building. It's an okay building, but he needs some letters of faith, it's probably going to be going down. Then he's got to turn around and tell them that he's the last guy in this town who wants to turn construction jobs away. He don't want that. He wants construction jobs in this town and he wants good construction jobs. He wants a reasonable chance that this thing going forward and being finished. If City staff can tell him that there's a reasonable chance that this thing is going to get off the ground and go all the way, he'll support it. If there's not a reasonable chance, why throw money down a hole? Mr. Stahl said they won't be throwing money down a hole, because if it doesn't happen, just like Mr. Murray said with the Marina District, if it doesn't happen, it won't be a deal. If they don't start doing it, they don't start spending the money, we're the last ones, the last piece that falls in place. So these prevailing wages, he believed they would be prevailing wage jobs correct? Mr. Warner said no. Mr. Stahl said they aren't. Some of them are. He knows there's been some discussion on that. There would be some. But he would tell them, he firmly believes that this thing is going to come, the City is not at risk with this deal until such a point that this project is well under way and will be successful before the City becomes at risk. He's sat at this Revolving Loan Fund, he was first appointed by Mr. Kaman three years ago. A lot of these loans have come to us for a reason. They've come to us because they're hard to place in other areas without sharing any confidentiality. But he would tell them that the last one that we had was an excellent, excellent loan. But this one, the City will not expend any funds until this project is well under way. And before the City would expend any funds with all of these backstops that are in there, we would be in a position to know if this was going to work or not. If it doesn't work, then there's no deal. The flip side of this thing is, we get another building. We just bought another Keller Building and then we've got to spend all of the funds that go along with mothballing this building. He thinks that the best outcome for the citizens of Sandusky, whether we like Mr. Spatz or don't like Mr. Spatz, that would be a vibrant building and this deal would work. Will it work? Heck, he don't know. None of them really knows. So he thinks Mr.

Murray they need to look at both sides of this and realize what's going to happen and does this have a chance at success? Certainly it has a chance at success, and it probably has a slightly bigger chance at failure, but that being said what they have to do is protect the City. And if they're not spending a million dollars by March 1st, if we're not the last ones in line and this thing is not already happening, we don't spend any money. There is no deal. There is no downside to us going along with this thing, because we will still have this building a year from today if this deal doesn't happen and we'll face a much larger issue. And this Revolving Loan Fund is... Mr. Fuqua said if there was even a 50% chance of this project proceeding, he would be in favor of it. And one of the comments from Mr. Stahl, even if it doesn't happen in a year, okay that's fine, but the only thing that does is, that adds another year onto us having to do what we're going to have to do anyway. He wished he was as optimistic as he was, but considering that like Mr. Waddington said, this thing has been going on basically since the day that they sat at this table. And God bless the Foundations, because a lot of things in the City that are happening wouldn't happen without the Foundations. He hoped they continued to be there, but even with them backing them he just don't see it happening. And then the money from the RLF will be tied up, because if we are going to give them our \$200,000 to this project, we already said we can't take that \$200,000 and use it some place else, if and when another project happens because it's already earmarked to the Reiger Project. It's a lose, lose situation in his opinion.

Mr. Kaman said he feels again, we have lots of openings in the City of Sandusky, Chesapeake Condos are still for sale. Krabill's condos are still for sale. Chesapeake's rentals are still up for rent. Delahunt is still up for rent. Condos didn't sell. The guys down on Washington... Mr. Stahl said wait a second, there's only one available for rent. Mr. Kaman said the guys down on Washington spent their own money on that apartment building and they're still for rent and the building's been for sale. They didn't use RLF money. His concern is on RLF Funds the bottomline is how many jobs, this one here took the equivalent of 30 jobs. Now he would like to know how many jobs are down there at the Washington Apartment house right now. That thing has been done for over a year. There's zero jobs, except for the realtor that's trying to rent or sell the whole building. So the construction jobs are nice, but the equivalent 30 jobs, he don't see it and he thinks that's a key for our Revolving Loans to be for businesses that are going to put full-time jobs for basically his opinion, manufacturing and things like that that are going to be year around jobs.

Mrs. Farrar asked did we have developers lined up with the Reiger? Mr. Schell said not at this point, no? Mrs. Farrar said she guessed she was optimistic like Mr. Stahl. If we were wrapping up \$200,000 from the Revolving Loan Fund until March of '09, that will be here like that. We've already discussed their attorney's in place, he has to do this and this and this before we do this. She meant if they're not lined up to do something with it, it's going to fall back in our laps anyway. Are we going to do something by March of '09? She don't think so. Why don't we just give it a chance, one last chance? Mr. Waddington said the March of '09 the developer has to spend Spatz's \$1 million. The RLF \$200,000 comes in down the road. He has to spend a million in the next five months. Do we think that's really going to happen? Mr. Fuqua said nope. Mrs. Farrar said she guessed the majority of the table doesn't think it's going to happen, but why that will happen when it falls back in our laps and then she thinks they should tear it down. Then the Historical Society is going to be standing in front of it when you have the wrecking ball. And we're going to end up having to do something with it anyway. Mr. Waddington said for the last year or two he had suggested when this has come up, that we should look at getting out of this contract and put it out for bid. Mr. Kline and Mr. Schell, he would like to have someone else look at the piece of property, because as everything goes by, he's said before at a public meeting, that it's deteriorating. It always gets worse every year. If he had a true interest, he (Mr. Spatz) would be here tonight or have a representative.

Mr. Kline said quickly counting the votes and seeing that this Reiger is going to wind up on his desk, he is formulating a plan in his head quickly. He knows he's already said that it should be torn down. He's saying that because he has been through the building and from the outside it can be a grand old building. Particularly speaking the hallways are too narrow and it has actually two load-bearing walls if he was not mistaken, which would make it extremely difficult to be able to expand the rooms to make them commercially viable to fit. That's his opinion. Having said all that, this is going to be coming back to us eventually. He would

strongly urge that they allow them to contact someone like a Jonathan Sandvick who works as an architect in Cleveland. He was well known and he knows how to get several tax credits working with old buildings. Do an agreement with him and say here, what can you do with this building, you've got two years. He's not sure how long it takes, but it is a long process to ensure certain tax credits. It's going to take time to see what funding he can gather. He's sensing, he's coming late in the game, and he's heard this from day one, that there's never been a lot of comfort with respect to Mr. Spatz. But someone like a Jonathan Sandvick, there's a construction company called Marous Brothers that actually owns a property here in town, but he was sure many of them have seen some of the things that they have done with several historic buildings in Cleveland. They might have an interest. That would probably be his first suggestion to try to get some professional from the Cleveland area that may have an interest in trying to do something with the building. Now someone like Jonathan Sandvick says no it can't be done then we really have to, and he agreed with Mrs. Farrar, and then it goes down because it is dangerous.

President Murray said let's find out and verify one thing, and that is he didn't think any of the other Commissions, well they can speak for themselves, but he doesn't have any ill-will toward Mr. Spatz. He thinks he's tried and he trying in the spirit. He doesn't question his motives. He doesn't question his integrity. His feeling, his position, comes down to the fact that the City has done everything that it has been required to do under the development agreement and more. And he don't think at this point that it is appropriate for us to do or invest an additional \$200,000. He didn't want to in any way sully Mr. Spatz's reputation. If we were agreeable to lending him the money, then that would work, but he thinks that they kind of know as well as he has, that that isn't going to happen.

Mr. Stahl said in the democracy there's the vote, so he (Mr. Spatz) will lose, but he thinks in his heart, that the possibility of knowing this thing working if we would have passed this thing, we are only talking eight meetings between now and March. We would have had a clear-cut indication. And he really thought we should have given it the time and he agreed with Mrs. Farrar and everything else. So we'll take the vote. He guessed he called for the question. Mr. Kaman said let's let this ball drop and let's finish the wall around the Chesapeake, let's finish something. He would rather put our money there. President Murray said he thought if it was a viable project, he'll find the \$200,000. Mr. Waddington and several other Commissions said right. The Clerk call the roll on the motion: Yeas: Stahl, Farrar, 2. Nays: Waddington, Kaman, Murray, Fuqua, Warner, 5. Thereupon the Clerk called the roll on final passage of the Ordinance: Yeas: Stahl, Farrar, 2. Nays: Waddington, Kaman, Murray, Fuqua, Warner, 5. **President Murray declared the Ordinance failed.**

CURRENT BUSINESS

ITEM #2 – Communication – Scott J. Schell, Economic Development Specialist

BUDGETARY INFORMATION: Cleanup grants require a 20 percent cost share, which may be in the form of a contribution of money, labor, material, or services, and must be for eligible and allowable costs (the match must equal 20 percent of the amount of funding provided by the EPA and cannot include administrative costs). The match requirement will be a cost to the City's General Fund of \$40,000. This means the total amount of funds that can be dedicated to this cleanup will be \$240,000.

RESOLUTION NO. 030-08R - File an application for Brownfield Petroleum Cleanup Grant Funds with the United States Environmental Protection Agency.

It was moved by Mr. Kaman and seconded by Mr. Waddington that this Resolution be passed under suspension of the rules in full accordance of Section 14 of the City Charter. **Discussion** – Mr. Kaman said that will be our match to apply for that grant to cleanup Sandusky Cabinets. The Clerk called the roll on the motion: Yeas: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner, 7. Nays: 0. Thereupon the Clerk called the roll on final passage of the Resolution: Yeas: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner, 7. Nays: 0. The President declared the Resolution passed.

ITEM #3 – Communication – Kathryn K. McKillips, Engineering Director

BUDGETARY INFORMATION: The total estimated project cost including miscellaneous expenses is \$27,490.00 and will be paid with CDBG Funds.

RESOLUTION NO. 031-08R - Declaring the necessity to proceed with the Demolition of 1432 Harrison Street, 711 Decatur Street (house only) and 526 E. Madison Street, Sandusky, Ohio; approving the specifications and engineer's estimate of cost thereof; and directing the City Manager to advertise for and receive bids in relation thereto. It was moved by Mr. Waddington and seconded by Mr. Kaman that this Resolution be passed under suspension of rules in full accordance of Section 14 of the City Charter. *Discussion* – Mr. Kaman said this was for the advertising to get the bids only. He would ask staff if we could look into from now on, when we tear these houses down, if we could put a timeline to the demolition to start. Right now that Hayes and Osborne is kind of bugging him. The Clerk called the roll on the motion: Yeas: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner, 7. Nays: 0. Thereupon the Clerk called the roll on final passage of the Resolution: Yeas: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner, 7. Nays: 0. The President declared the Resolution passed.

ITEM #4 – Communication – Warrenette Parthemore, Director of Administrative Services

BUDGETARY INFORMATION: The \$10,455.00 will be charged to the General Fund.

ORDINANCE NO. 08-105 - Make payment to Downes, Hurst & Fishel, LLP, for Professional Services incurred in relation to Arbitration Matters. It was moved by Mrs. Farrar and seconded by Mr. Waddington that this Ordinance be passed under suspension of rules in full accordance of Section 14 of the City Charter.

Discussion – Mrs. Farrar said she was wondering if Mrs. Parthemore could give a background on what we are paying? Mrs. Parthemore said there were three areas that were grieved and went to arbitration. One of them has been decided by an arbitrator and another one was decision pending and the third one the officer withdrew the grievance. The Clerk called the roll on the motion: Yeas: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner, 7. Nays: 0. Thereupon the Clerk called the roll on final passage of the Ordinance: Yeas: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner, 7. Nays: 0. The President declared the Ordinance passed.

ITEM #5 – Communication – Charlie Sams, Interim Chief of Police

BUDGETARY INFORMATION: This invoice represents a current expense for 2008. Funds are routinely included in the Police Department Operating Budget for each year's 911 billing. Replacement cost is \$10,780.52 and maintenance cost is \$1,792.29 for a total of \$19,572.81. Funds will be expended from 110-1020-53000.

ORDINANCE NO. 08-106 - Authorizing payment for replacement and maintenance costs pursuant to the 9-1-1 agreement between the City of Sandusky and Erie County. It was moved by Mr. Fuqua and seconded by Mr. Waddington that this Ordinance be passed under suspension of rules in full accordance of Section 14 of the City Charter. The Clerk called the roll on the motion: Yeas: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner, 7. Nays: 0. Thereupon the Clerk called the roll on final passage of the Ordinance: Yeas: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner, 7. Nays: 0. The President declared the Ordinance passed.

ITEM #6 – Communication – Lieutenant Phillip J. Frost

BUDGETARY INFORMATION: The estimated cost of the new items requested by the Sandusky Police Department is approximately \$60,725.00 as determined on-line by company catalog list prices and factoring in discounts provided with large quantity purchases. To help the Police Department place a fair value on the weapons, four companies known to be certified Class 3 firearms dealers were contacted to review the inventory list of the confiscated and departmentally-owned weapons to be disposed of and each submitted informal evaluations that were utilized as independent appraisals of the trade in value of the weapons. In conjunction, each weapon was researched and identified in the Blue Book of Gun Values, 28th addition, Copyright 2007, through which the total trade-in value was determined to be \$67,916.40. The trade-in value will cover the cost of new items or the City has the right to refuse the bid.

ORDINANCE NO. 08-107 - Dispose of Law Enforcement Firearms, Equipment and Accessories, as well as the Firearms, Equipment and Accessories that have been lost, abandoned, stolen or otherwise lawfully seized or forfeited and that

are not needed, or obsolete, or are unfit for any public municipal purpose pursuant to Section 25 of the City Charter; and authorizing the City Manager to proceed with a request for proposals (RFP) process for the sale, exchange and purchase of items for the Sandusky Police Department. It was moved by Mr. Warner and seconded by Mr. Fuqua that this Ordinance be passed under suspension of rules in full accordance of Section 14 of the City Charter. **Discussion** – Mr. Warner said all of these weapons that we are getting ready to get rid of, there is no way anybody can come back on us for a claim for any seizure laws or stolen weapons? It's a great deal that we're getting. Interim Chief Sams said they checked with the Law Department and they did all of the research, it's all-good.

Mrs. Farrar said from the packet prepared by Lt. Frost, the way she understands it is our trade-in value is going to cover the new equipment.

Mr. Stahl said there is a little bit of history with that Tommie Gun in the City of Sandusky. Would it be a problem of taking that off the list and maybe disabling that as a weapon and give it to the Follett House Museum? Sometimes we give away our past and we wonder why we have it laying in our grasp and we let it go. Interim Chief Sams said he understood, but that is a big chunk of the money right there. They were talking probably over \$25,000. Mr. Stahl said he was no longer a history buff.

Mr. Kaman asked what prompted this at this time, because those guns have been there for now many years? Interim Chief Sams said they have traded guns before in the past, but right now their weapons are handguns. They needed to replace them and they know they don't have the money to do that. Their shotguns are 30 years old and they're falling apart. So they sat down as a Command Staff and brainstormed how they could accomplish it. The Clerk called the roll on the motion: Yeas: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner, 7. Nays: 0. Thereupon the Clerk called the roll on final passage of the Ordinance: Yeas: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner, 7. Nays: 0. The President declared the Ordinance passed.

ITEM #7 – Communication – Ed Widman, Finance Director

BUDGETARY INFORMATION: All of the current employees covered by the fringe benefit pension pick-up have been factored into the current appropriations. There is no cost of enacting this ordinance.

ORDINANCE NO. 08-108 - Authorizing the City of Sandusky to pick up the statutorily required contribution to the Ohio Public Employees Retirement System for the following employees of the City of Sandusky Pursuant to IRC Section 414(h)(2). It was moved by Mr. Fuqua and seconded by Mr. Stahl that this Ordinance be passed under suspension of rules in full accordance of Section 14 of the City Charter. **Discussion** – Mr. Waddington said in the City right now we're having trouble buying salt and he don't think we should be enacting this legislation for three years out because we don't know what the cost is going to be. Contractually of the five Matt Kline is the only one, and he checked with the Law Department, he knew that this was built in his contract so he had no problem with that. But Mr. Widman, Diane Mulvin, Hank Solowiej and Lenny Dixon, who's a retired fireman, he questioned why would he have a secondary pension pick up. So if it stays all five, he will be a "no" on this. And at this time Mr. Chairman, Mr. Crandall is not on 145 anymore. He would like, if no one else is interested, he would like to be appointed and get that resolved and finished by the end of the year. Somewhere, as they stated earlier tonight, the buck has to stop. We're on hard times. And what this is, it's actually as Mr. Widman stated in here, it doesn't cost the City anymore money. So that's true, but under the Ohio Employee Pick Up Program, each employer must apply and receive available ruling from the Internal Revenue Service. He's sure we did that for employer. And before employee pick up programs, in accordance with the Internal Revenue Ruling 2006-43 and before the employee pick up program the State withheld taxes from the employee, they took out the required pension contributions. Payment of the federal taxes on the pick up amounts works to pay actions until receiving benefits and recover the contributions when they retire. This was nothing on Mr. Widman, Hank Solowiej, Mr. Dixon and Mrs. Mulvin, but did they authorize a contract Mr. Widman? Mr. Widman said the communication provides that this was in place in 2003. At that time there were three of them that are still on staff that were offered a one-time pay increase and they turned down the pay increase in exchange to have the state pick up 4% of their pension. A typical year for every person that makes \$30,000, everybody on the list is above that, but a person

paid \$30,000 by the City saves the City about a thousand dollars. Because you're not paying the higher salary and you're definitely not paying higher Workers Compensation, the higher the match that the City pays on the employee pension, along with other zero taxes that are based on the person's gross salary. It's been in place, the committee discussed it, he thought even Mr. Crandall was okay with the Ordinance that would not allow this to continue. This was sensitive and maybe not a popular thing, but if you're looking to compensate someone, it is cheaper than giving them a 4% raise, and that's what three of the five did, took this in lieu of a wage increase. And Mr. Kline was discussed to have a contract with the City, which is enumerated and makes the ordinance much longer. Mr. Solowiej when he was being hired by the City, they were dickering back and forth, as was common with other people that were hired instead of giving higher salary to get the person they wanted. They can show them those calculations. Mr. Waddington said he follows that, but share with him Lenny Dixon, the retired fire fighter. Mr. Widman said Mr. Dixon, Diane Mulvin and himself are the three that at that time could have taken a 4% wage increase that would have cost the City more dollars over the years. He guessed that they thought they were doing the right thing at the time. The City claimed they were struggling back then as they are now. Mr. Waddington said so last year when they started 145, they said this must end correct, this is over? They went through and said no more pension pickup. Mr. Widman said they were talking about in the future. This goes back to 2003. Mr. Waddington said he wasn't on the Commission, but he was saying if this goes through, there will be no more. They can build that into 145. Mr. Widman said they shared with the pension folks that there would be sunset provisions and they've seen the draft and they were comfortable that if they followed what the ordinance says, short of there being future action by a future Commission, this will eventually all disappear.

Mr. Kaman said this he feels is a lot like double dipping. You hire the people that retire and come back to work, it saves you money, but in the public's eye it's not right. It just doesn't look right. Saving us money is a good thing, but it's not open to everybody. It's not a good thing that we should be doing and he just wanted to see it go away. Mr. Stahl said in the discussion, you guys are both right and it's not a good idea and he shared that with Mr. Widman. Going forward he don't think it's a good idea and he didn't think it was a good idea in 2003, but a deal is a deal. And in 2003 he believed they offered all City staff to have that opportunity. Mr. Widman said it was an opportunity that only a few employees took advantage of. Mr. Warner said he knew what it was like to negotiate a contract. You negotiate in good faith and you don't jump up in the middle of the deal and say I got to cut and run now. If we made the deal, the City should stick by their word. Mrs. Farrar said also in Mr. Widman's memo it does say that the committee recommends the fact that the fringe benefits pension pickup is discontinued beyond the current five employees. Mr. Waddington said but they never had a chance to finish that 145 since Mr. Crandall left the Commission and that hasn't been resolved yet, so they can do this legally correct? Mr. Icsman said he was right and Mrs. Farrar is right. They are finishing 145 as they did the legal review and he forwarded on what he had. Ordinance Section 10 also says what Mr. Widman and what Mrs. Farrar says, after these people are no longer here, it will not go on to the next office holder or the next Finance Director. President Murray asked that the Clerk called the roll on the motion: Yeas: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner, 7. Nays: 0. Thereupon the Clerk called the roll on final passage of the Ordinance: Yeas: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner, 7. Nays: 0. The Ordinance passed.

ITEM #8 – Communication – Kathryn K. McKillips, Engineering Director

BUDGETARY INFORMATION: The revised project cost based on bids, including engineering, inspection, advertising and miscellaneous costs are \$53,220.00. This project will be paid with Community Development Block Grant (CDBG) Funds and Demolition Funds.

ORDINANCE NO. 08-109 - Enter into a contract with Barnes Nursery of Huron, Ohio, for the Demolition of 405 Perry Street, 2123 E. Forest Drive, 1134 Huntington Avenue, 809 Decatur Street (barn only), 829 Fulton Street and 808 Hancock Street, Sandusky, Ohio. It was moved by Mr. Waddington and seconded by Mr. Kaman that this Ordinance be passed under suspension of rules in full accordance of Section 14 of the City Charter. **Discussion** – Mrs. Farrar said there was a concern about them going with Barnes over Ed Burdue, but they were the

lowest bidder and we were using CDBG Funds and a thousand dollars savings is a thousand dollar savings. Mr. Fuqua said when you're dealing with grant money you really have no choice because it's been no secret that taking care of home first has been a pet project of his since he got here. If it was City money, then he would be making a fuss. The Clerk called the roll on the motion: Yeas: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner, 7. Nays: 0. Thereupon the Clerk called the roll on final passage of the Ordinance: Yeas: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner, 7. Nays: 0. The President declared the Ordinance passed.

ITEM #9 – Communication – Kathryn K. McKillips, Engineering Director

BUDGETARY INFORMATION: Funds for the payment of this service are routinely included in the Operating Budget of the Water Pollution Control Plant. The estimated amount of sludge for 2009 is 11,000,000 gallons. Therefore, the cost would be no more than \$300,300.00.

ORDINANCE NO. 08-110 - Enter into a One-Year Contract Extension with Maple View Farms, LLC, of Castalia, Ohio, for the Land Application of Sewage Sludge from the Water Pollution Control Plant for Calendar Year 2008. It was moved by Mr. Kaman and seconded Mr. Waddington that this Ordinance be passed under suspension of rules in full accordance of Section 14 of the City Charter. The Clerk called the roll on the motion: Yeas: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner, 7. Nays: 0. Thereupon the Clerk called the roll on final passage of the Ordinance: Yeas: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner, 7. Nays: 0. The President declared the Ordinance passed.

ITEM #10 – Communication – Kathryn K. McKillips, Engineering Director

BUDGETARY INFORMATION: The revised project cost based on bids, including engineering, inspection, advertising and miscellaneous costs is \$26,645.00. This project will be paid with a donation in the amount of \$18,000.00 and the \$8,645.00 remaining will be paid with Community Development Block Grant (CDBG) and Demolition Funds.

ORDINANCE NO. 08-111 - Enter into a contract with Barnes Nursery of Huron, Ohio, for the Demolition of the structure located at 1502-1504 Hayes Avenue, Sandusky, Ohio. It was moved by Mr. Kaman and seconded by Mr. Waddington that this Ordinance be passed under suspension of rules in full accordance of Section 14 of the City Charter. **Discussion** – Mr. Kaman said he just wanted this one to get done quick. Mr. Farrar said wasn't the \$18,000 donated by the Dorn Foundation? Mr. Kline said that's right. The Commission accepted the donation at the last meeting. There were two parts to it, one was the asbestos removal and the other was the actual demolition. The Clerk called the roll on the motion: Yeas: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner, 7. Nays: 0. The Clerk called the roll on final passage of the Ordinance: Yeas: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner, 7. Nays: 0. The President declared the Ordinance passed.

ITEM #11 – Communication – Jane E. Cullen, E.I.T.

BUDGETARY INFORMATION: This change order is a \$5,664.62 addition to the original contract amount of \$30,987.00. The Final Construction Contract Cost is \$36,651.62. The Water Fund will pay \$12,217.21, the Sewer Fund will pay \$12,217.21 and the Street Funds will pay the remaining \$12,217.20.

ORDINANCE NO. 08-112 - Approve the First & Final Change Order for work performed for the Dutch Lane Sheet Piling Project in the amount of \$5,664.62 to be paid to Shepherd's Shoreline Construction, Inc. of Sandusky, Ohio. It was moved by Mr. Waddington and seconded by Mr. Fuqua that this Ordinance be passed under suspension of rules in full accordance of Section 14 of the City Charter.

Discussion – Mr. Kaman said actually Water & Sewer Funds are paying for this and it was a steel wall and there were no utilities involved. Mr. Kline said it was actually a utility line, a water line, right up to the project. The Clerk called the roll on the motion: Yeas: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner, 7. Nays: 0. The Clerk called the roll on final passage of the Ordinance: Yeas: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner, 7. Nays: 0. The Ordinance passed.

ITEM #12 – Communication – Scott Schell, Economic Development Specialist

BUDGETARY INFORMATION: This action will not impact the City Operating Budget. RLF Funds are restricted in use and this loan is within guidelines of the program.

The company estimates that, when complete, the project will result in hiring of 5 new full-time employees. The new hires will result in additional income taxes for the City. **ORDINANCE NO. 08-113 - Authorizing and approving an Economic Development Loan in the amount of \$175,000.00 to Lewco, Inc.** It was moved by Mr. Stahl and seconded by Mr. Kaman that this Ordinance be passed under suspension of rules in full accordance of Section 14 of the City Charter. **Discussion** – Mr. Waddington thanked LEWCO for doing business in town and said this was a RLF. It was great and it would add more jobs. Mr. Stahl congratulated LEWCO and said it was nice to see a local company do great. President Murray said this was exactly what RLF should be used for was job creations. And the RLF made a loan to LEWCO back in 1999 and they just successfully finished paying that off before they reapplied. And at the time the other loan was made there were 71 employees and today there are 112. Mr. Fuqua said not only are there 112 employees, but all positions are full-time with benefits. The Clerk called the roll on the motion: Yeas: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner, 7. Nays: 0. The Clerk called the roll on final passage of the Ordinance: Yeas: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner, 7. Nays: 0. The President declared the Ordinance passed.

ITEM #13 – Submitted by B. Joyce Brown, Clerk of the City Commission on behalf of ODOL. A transfer request of D5A and D6 Liquor Permits to Suntharee Inc., 2047 Cleveland Road, Sandusky, Ohio, from JM Sciarappa Inc. dba South Shore Inn, Grahams Restaurant & Patio, 2047 Cleveland Road, Sandusky, Ohio 44870. **It was moved by Mr. Waddington that the Clerk notify the Ohio Department of Liquor Control that the City has no objections. It was seconded by Mr. Kaman and carried.**

Under the **City Manager's Report**, Mr. Kline said he had a **\$25 donation from Betty Thompson for the Sandusky Police Department's K-9 Fund**. Mr. Kaman said so moved to accept. It was seconded by Mr. Waddington and carried.

Mr. Kline said at the recent **Boo at the Bay Event** the Sandusky Recreation Division collected 14 boxes of canned goods and \$14 in cash. The City donated the perishable food items and cash to Care & Share.

Mr. Kline said the City's Traffic Services Division will begin the **Annual Leaf Collection Program** Monday. The collection schedule and zones were listed in the October Meigs Street Messenger, City's website and distributed to local media.

Mr. Kline said Friday there will be citywide **Neighborhood Trick or Treat** between 5 p.m. through 7:30 p.m. and the participating residents can turn on porch lights.

Mr. Kline said residents and small commercial customers wishing to sign up for the **City's Gas Aggregation Program** can call Direct Energy at 1-866-803-4618. The new rate for the next 12 months starting with the December billing cycle will be \$1.0368/ccf or \$1.0268 for senior citizens over 65 years of age.

Mr. Kline said only the City Commission has the authority to do this, but the **County Auditor's office has asked that we waive two assessments. One is a current special assessment for 1108 Huntington Avenue for street improvement of \$341.30 and also waive the current assessment for weed cutting at 1504 N. Forest Drive for \$597.36.** The County Auditor advised us that these amounts are uncollectable on foreclosed properties. *President Murray said they would rather receive the communication from the Auditor's office so they can take a look at that and learn a little more about the background and put it in context.* Mr. Kline said that's fine. Mr. Icsman said it was land that was forfeited a while ago to the state and it never really should have been included on the assessment. So all the Auditor was saying was that for this year only he wanted forgiveness while the amounts are low. If and when there is a transaction involving the property with a subsequent purchaser, they would be responsible for the remaining years of assessments. So it would not be forgiven other than the nuisance for lawn cutting, which they would never recover. The assessed one is a one year assessed project, which has a useful life of 20 years so there is 19 more years that either they would have to come back and ask the Commission going forward.

Mr. Kline said since the last meeting they have put together a review of the Chesapeake/Tricor Property and the biggest question they have that has not been answered by the State of Ohio is the full understanding of the CORF Grant. Should the full grant not be extended what procedures we have to go through and making sure we don't have to do anything with that. Once we have that, we have already made contact with Mr. Hopfinger, who is the attorney with MidStates. He was

assuming they would probably be meeting with him in the next few weeks. President Murray said he was under the impression that at the last meeting they were to send out RFP's shortly and he thought they were going to pass to approve that tonight. Mr. Kline said the actual motion was to start negotiations on ending the relationship or amending the relationship with MidStates. They still need to go out with an ordinance, but they do now have the final costs. So they have a good engineer's estimate for the final cost of the shoreline work. Prior to doing that they needed to hear that they have an agreement with MidStates on the interest rates that would be paid on the sales bonds. Although from his understanding, speaking of Mrs. McKillips, she is ready for the bid documents to go out. The ordinance has not authorized us yet to put that out. President Murray said they were pretty close to the end of the season. He thought if we have the ability to send out requests for bids now to go through that process between advertising and then analyzing them, that could be typically a 30-day plus period or a little longer. And they will probably have at least six weeks to work in the water. Mr. Kline said that he can't tell him. President Murray said so he needed to get it together for our five o'clock meeting for approval because there are a number of people concerned about winter coming. And we had the intention of last year of shoring that up to make sure that the building was safe. And before the water freezes up, he would like to see them get started on that.

Mr. Waddington said what about the **Tricor Property**? Mr. Kline said that's something that he wants to clean up. It's just right now in some of the e-mails that he has been sharing with them that the piles are being surveyed right now and he's not sure that he has the go ahead of what they can do with those piles.

Mr. Waddington said if we have **rental units** in town, we collect rental fees. His concern was he had talked to residents and at the **Chesapeake** it has been known for quite a while that they rent out or lease for a week or month, are we collecting the bed tax Mr. Widman? And if not, isn't it the law for us to do that? Mr. Widman said he believed there was a front-page article about that, it was about vacation rentals. Mr. Waddington said his question was, are they exempt from bed tax at Chesapeake? Mr. Widman said no, they sent out a number of packets to all the owners who they could determine through the County's records and they had limited responses. They were still trying to work on that information, but there were very few that acknowledged that they were going to attempt to send us those bed tax. They've made them aware of various things because it's a rental property. It is considered business property for income tax purposes, as well as the bed tax, as well as possibly the housing rental fees. They included all of that information when they sent out the packets and they have had some response, but others chose not to reply. He didn't see it as a big revenue for the City. There was probably going to be much more cost associated with recovering any revenues. It's one of those things that they work on as time permits.

Mr. Warner said he walked those **piles with Mr. & Mrs. Haag at the Chesapeake** and if it would be permitted, he would like to ask Mr. Haag for an update. Mr. Bob Haag said he first took photographs of the pile from the Keller Building proving that it has its value and then marked every pile. It was a little easier to categorize and to see how many we have. Then they walked the piles, Ruth Hagg and himself, Mr. Warner and Mike Sharp, our representative from MidStates, and looked to identify which of these piles might belong to MidStates so that they could be moved back onto the Chesapeake property. Which of these piles belonged to someone else, and unfortunately identified the City of Sandusky as a source of one of the piles, and which piles they simply couldn't identify. So they got them all classified and their next move is to actually get with Kathy McKillips and discuss whether the City can move the piles that are its own. Because these piles consist of large pieces of rubble, it would be difficult to take out and cover unless they were willing to raise the drain level there a couple of feet. We might take a look at first removing our own piles. Then there is one pile that appears to be or is still seated with the eastern side of the Chesapeake that has a monitoring well in it that belongs over there and a little bit of soil. So that pile may actually have to go back and be dealt with by MidStates folks. Meanwhile some piles that are of unknown origins, they'll have to decide what percentage will it take to remove those or will the City just be able to spread those out. In one other classification pile that's the concrete and rubble from the Tricor Building that has been crushed and left on site on purpose to be used as fill. Now that material is destined for plans to be used in the walkway construction, especially on the north side of the building and that was the original intended purpose for it.

So they've got a small pile that they may need to give back to MidStates. They've got a large pile that the City may need to remove itself. We have a couple of very large piles that are intended to be used for construction so that will be worked into the plans. Then we have a few piles that we may have to classify and see if we can just spread them around. So basically he felt we could move forward with each of these class of piles and in the future get that site cleaned up.

Mr. Kaman said last meeting he recommended that they **get that lock secured because it's a free dumping zone**. The concern he had was the contractors doing work around the City doing jobs like cement work. We got curbs down there, sidewalks, streets, anything is being dumped down there. He got it classified now, but until that fence is locked, tomorrow there could be another pile there. It's not only ridiculous that we're talking about these piles that the EPA stipulates that if you didn't generate it, you can't dump it there. And if it's dumped there, you got to know what it is and who dumped it and where it's going.

Mr. Stahl said every year he brings this up, **between Water Street and Wayne Street, between Columbus Avenue and Wayne Street on Water Street on the north end of these, there's low hanging fruit trees with little berries**. The Mainstreet Association put these trees in and pulled the trees out that were there. People squash the little berries and walk into Wendy Komer's place, the two doctor's offices, the law office and insurance office and they create all kinds of havoc being carried in on their shoes. Also they are low hanging and you get a lot of older people and it is a huge issue that needs to be looked at and he would like to hear something back. Somebody could get their eye poked out. *President Murray said Mr. Kline have someone talk to Mainstreet so that they don't end up undoing what they wanted to do.*

Mr. Kline said questions are being asked all the time about **G&C Foundry** and he would let Scott give an update. Mr. Schell said as he mentioned at the last meeting, they had contacted a neighboring company to the G&C Foundry that has expressed interest in acquiring the property and helping just to hasten to clean up. Since the last meeting he met with all of the parties last Wednesday and basically made the introductions and pretty much bowed out. But suffice to say, the local company does have an interest and the President of their company have given them the okay to negotiate with the owners. Matter of fact, the President of the company is coming into town this Wednesday or Thursday. He spoke to the answers this morning and he was waiting for an updated cost from the local demolition contractor, who is to finish the clean up. His plan is to take the fair market value property less the cleanup cost and arrive at sensible price with the company. So he was hoping by the end of the week they would at least have the steps for resolution of this issue. Mr. Kaman said he just wanted to get this thing done. If it falls through, we're going to have to get our crews out there to do it, absorb that cost and put it on the taxes or whatever. It's a mess and it shouldn't have ever been allowed to happen. And he definitely doesn't want it to happen to Sandusky Metal Products, so when that starts happening the next couple years, they have to make sure that doesn't happen either. *President Murray said any questions of the City Manager?*

Mr. Kaman said several months ago they talked about the **new timekeeping system**, was that up and running? Mrs. Parthemore said all of the AFSCME and admin people have been punching in. This pay period it will be transferred electronically to SSI, our connections are there electronically. The next part that will go out will be the Police Department and then the Fire Department will be the last one to go. Mr. Kaman asked was that everybody in City Hall also punching in now with their fingertips or a card? Mrs. Parthemore said no, it's a card type of ID card or they can just use their numbers and punch it into the time clock and some are actually punching it in on the computer. There are three different ways that they can't punch in and out. That's everybody except the salaried people. Mr. Kaman said we're not including the salaried people, why? Mrs. Parthemore said we did not set it up that way. That's not how we bid it out. We can't for salaried people, unless they would be exempt, they get paid 40 hours a week anyway. In the new one 45, the way we explained the salaried person, they are expected to work a minimum of 40 hours a week, you're expected to do the job. And we're aren't really counting comp time. We can have them punch in or out. They can discuss whether they would like people to have comp time or no comp time, but it can only pay for 80 hours. So if someone goes over the 40 hours punching in and out, it won't work a... Mr. Kaman interrupted and asked do we have a policy in place for the salaried people while they were doing personal business during City hours? If something would happen to a

salaried worker while doing personal business during company or City time, do we have a policy or do we rebill it off? Mrs. Parthemore said there's no policies covering it, but if they're off the clock... Mr. Kaman interrupted and said if they were out doing personal business. Mrs. Parthemore said they would not be covered under Workers Comp if they were out doing personal business.

Under **Old Business**, Mr. Waddington said he guessed he would have to be the bad guy here, he wanted to bring up this **Housing** and he had dates from our last meeting and how we're going to go forward. Over the weekend Mr. Warner and himself, and he thought Mr. Poulos has been out in the last three or four days, he's been to some of the homes. He thought everybody up here wants to fix and solve the problems, but it's become a money issue. They kind of, at the last meeting, they called or stopped it when they thought this thing through. He guessed to assure the residents, the ones that are affected by this, that in fact they are looking to make this whole, their homes whole, and to get this thing corrected. Mr. Warner said he would like to let the City Manager pull this thing out. We do have a plan he believed and he would like to let him explain it to the citizens. Mr. Kline said they were trying to give it, what he would call a three-prong attack. There were some legal issues that needed to be resolved. They have an attorney, Mr. Lang that is reviewing all of the legal aspects. From a financial standpoint, Mr. Widman and himself are probably having a meeting very soon with the State of Ohio to resolve any issues that we've had with older grants and being able to meet the criteria, the Building Code criteria that the State needs to follow. Their plan of attack is that we've introduced this to the Chief Building Official, George Poulos, he has met with him every day since Wednesday. He will be our quarterback so to speak, he'll be taking care of the physical problems overseeing the program. So that's it as of today and George has told him that he should have something in writing to him within the next few days. President Murray said the emergencies. Mr. Kline said oh yea, Dave Strohm is being contacted for health and safety issues. We had all that data and we'll be contacting each and every one of the property owners. President Murray said when he said contacting, you mean actually that someone will be... Mr. Kline said physically, well the first phone call, our employees, and then a visit and if they have a problem, physical, we will be there. Mr. Warner said he don't know why it didn't happen before, for some reasons, that everyone on that list should have received a phone call to find out what was wrong and somebody develop a plan. Evidently that didn't happen. We fell down maybe as a Commission. That has been corrected. Everyone will receive a phone call from this City that was on that list. And we'll check to see if they have heat, hot water, that their emergency services are there. If you don't have them, we're physically going to send somebody out this second and make sure it's right. Beyond that, we've got to take it one step at a time slowly. We can't blindly go into this thing and just start throwing hundreds of thousands of dollars at it. We know we have the problems. We're going to do what we have to do with them. And the most important thing, is the emergency services for this winter coming in, those will be done by this winter. Hopefully we'll have them all done here by the next meeting he hoped or at least a better handle on what we have to do by the next meeting. And beyond that, like he said, it's going to take a little step at a time. You can't throw 30 contractors in doing it, you got to take this a little step at a time and the most important thing first is the emergencies right now.

Mr. Waddington said he would like the Commission to **consider changing the commercial haulers' start time**, currently it was 7:00 a.m., back to 6:00 a.m. Just to give the commercial haulers a chance to collect waste before businesses or schools open. It helps out with the parking issues when they collect the waste. The curb times allotted are 6:00 a.m. to 7:00 p.m. and we have milk and bread trucks and delivery trucks all over time at 3:00, 4:00 and 5:00 in the morning. And he's talked to some of the haulers that work at the high school and they said early in the morning when they can't come to six now it's really, they're having problems getting to some of the businesses around town. Currently it's 6:00 a.m. and they would like to move it back to 5:00 a.m. that would give them a chance to get to the businesses before people starting blocking the dumpsters and ways for them to get to them. This would help alleviate problems in the morning. He knew there was a noise issue at one time and the collections would be easier for them. President Murray said this

would require an ordinance change. Mr. Icsman said the last time they modified the time was the last time they did it and they could bring the time change only to them.

President Murray said while they were still on the subject of waste hauling, he understands in the description it has a **mandatory Curbside Recycling Pick Up Program**. And Mr. Kline and he talked about a month ago about surveying that he was going to do of the waste haulers. Mr. Kline said they did compose a letter and included the ordinance. Actually it started with some complaints that we were receiving of haulers actually picking up at 2 o'clock or 3 o'clock in the morning. So they composed a letter that reviewed the letter, including start times, reminding them that each hauler is responsible for a recycling program that they must offer to their customers. He has asked for verification of that by the second week of November. He would check with Kelly tomorrow morning. President Murray said he wasn't aware that it was on the books. Mr. Kline said he wasn't either until Mr. Murray brought it up. There's also the owner has to have, per ordinance, a compactor truck. That's the only type of truck that's allowed to be used in the City.

Mr. Waddington asked could they bring back legislation for the next meeting? President Murray asked did anybody have any objections? Mrs. Farrar said she just wanted to make sure that they were going to the businesses and places like that and they are not in the residential neighborhoods at 5:00 a.m. Mr. Icsman said right now it's six o'clock for both residential and commercial, and he thought Mr. Waddington was referring to actually around the schools and not residential areas. So he would bring it back. It says 6:00 a.m. right now for both and the modifications would make it 5:00 a.m. Mr. Stahl said he had a concern with people being woke up at 5:00 in the morning and they're not getting up at 5:00 in the morning. He would like to add within a couple hundred feet of a resident. So that any factory or anything that they wanted to do. Mr. Icsman said he was talking about commercial like at the schools.

Under **New Business**, Mr. Kaman said they got their **2009 Budget** and he was uncomfortable seeing that under \$3 million figure. But Mayor Finkbinder in Toledo cut some days for people in their city. Other cities are doing things. So are they looking at any type of budget cuts, something other than losing people? Mr. Stahl said this is a requirement that staff provides a working budget to the City Commission by November 1st and they were talking about a lot of things. Mr. Kline said this was the first blush as per Charter requirements and a first look at the potential of what our budget may look like. Mr. Widman, Hank Solowiej, the Finance Committee and himself, have not taken the scalpel out yet. Obviously that should be done. He would bring it up now and keep stressing to everyone, there was one slight knot in 2009 and we were not the only community that was going to see this. Every 11 years during the 26th pay period, which we are in the next weeks, every 11th years you wind up with 27 pay periods. And 2009 is the 11th year, which the 27th pay period is roughly \$400,000 to the General Fund. Mr. Kaman said he didn't want it all on Mr. Stahl and the committee, the Commission should have input also.

Mr. Warner said himself and Mr. Waddington have been working with the **Friends of Pipe Creek Watershed folks on storm water runoff**. They were looking for a place to study that to see how it affects what kind of storm water runoff we have in the area. They considered doing some things in town, but since they were down at the Chesapeake Building they actually found a perfect place to study it. On the west side of the Chesapeake parking lot they already have got curb cuts cut into the blacktop and they own another five or six feet past that, and it was City property down there. They were talking about putting a swale in there and measuring the storm water runoff from the parking lot. And that way they have the square number with the amount of feet, how much rain falls, how much storm water runoff we have when it's put in a parking lot. Mr. Warner said to get to the point here, The Pipe Creek Watershed folks want to apply for a \$6,000 grant. They would like to put in a swale right next to the Chesapeake Building and they talked to the Chesapeake guy and he thought it would be okay with the Chesapeake folks down there, it would be alright with us. It was going to cost a little bit of Commission time from Mr. Waddington and himself to get involved with this. And a little bit of staff time while we're down there cleaning up those piles and everything to take back and make a little swale in there while they're cleaning that whole area up. He would like to ask the Commission for something like that. President Murray said he thought it was a great idea, it's good for the budget, it's good for the environment. It's a win-win and great to have an

experiment like that. **Mr. Warner said he was looking for a motion for the City to agree to work with Friends of Pipe Creek Watershed on this project, whether or not the Friends receive the training grant or not.**

Mr. Waddington said storm water management was on the election and nobody wanted to touch it. But eventually the EPA is going to drive us into that corner where we are going to have to get rid of ourselves, some storm water and what to do with it, especially in Sandusky. So he thought this would be like a small pilot project. And off the small project, they could have something in reference to do the bigger lots like out in Perkins and tie in with the County. He supported this and would also like rain barrels in spring and some other similar small projects that they could do around the community. **Mr. Waddington said he would second Mr. Warner's motion. President Murray asked for a vote on the motion, and with all Commissioners voting "Aye", the motion carried.**

President Murray said **Janet Warner's term on the Civil Service Commission** ends on November 22, 2008 and she was willing to renew her term. So he was appointing her to another six-year term. Mr. Fuqua said so moved. Mr. Kaman seconded the motion and it carried unanimously.

President Murray said on the **Human Relations Commission** there are three terms that are expiring that would like to serve again. **They are five-year appointments of Richard Koonce, Chris Perrin and Rufus Sanders.** Mr. Kaman said so moved. Mr. Waddington seconded and it carried unanimously.

President Murray said there are **two very important school levies on the ballot.** The first is a renewal levy for operation, which would create a total of \$1.5 million a year and on a \$50,000 house the cost would be \$.76 per year. There was another levy that was larger that was a very important permanent improvement replacement levy, which was passed first by the community in 1985. The millage works by dropping each year. So it was set at 2 mills, but it's effective rate drops every year so now it's down to an effective rate of 0.8 mills. This is used for building maintenance and we've got a lot of older buildings in the City system and it would be used to replace school busses. This for a house valued at \$50,000 would cost \$17.70 per year. The schools over the last three years have had revenue growth of only 2.35%. They have limited their expenditure growth to 1.5% by 4% per year, even though they had inflation of 3.16% per year. He urged everyone to give this careful consideration.

Mr. Murray said he would move for an **executive session on personnel, Charter Officers and Department Heads.** Mr. Kaman seconded. The Clerk called the roll on the motion: Yeas: Waddington, Kaman, Stahl, Murray, Fuqua, Farrar, Warner, 7. Nays: 0. The motion carried.

Under **Audience Participation**, Mr. Debbie Chesser, 613 E. Madison Street, commented on her family having gone through the nightmare of the Owner/Occupied Rehabilitation Program for over three years and having trusted the City to bring their house up to Code, which proved to be quite a big mistake. According to the State of Ohio, they now have a \$30,960 lien for \$8,400 worth of work. Many problems were solved by the program or created by it. They have holes in the concrete next to the house and basement windows are having freeze and thaw problems. They have electrical boxes recessed from the wall so receptacles had to be installed with 3" screws. They still have some cast iron drain lines. They have exposed lead paint. They still have live knob and tube wiring in the attic and the basement and they have moisture problems and black mold growing. The City staff called them nitpickers, a term used by incompetents when they were criticized. She wanted to know when the problems are going to be fixed. President Murray said he hoped she was here earlier this evening when Mr. Warner and Mr. Kline laid out what it is that the City is planning to do. He has been out to see three of the homes and it is unforgivable what has happened. All of the people that are involved in this are the victims of crime. There were people that were involved that he hoped would end up going to jail. She should know, if she doesn't already, that the Attorney's General's Office has subpoenaed some 40 boxes of records that the City has and is currently reviewing those. We are working with this plan that has been laid out tonight to try to deal with immediate safety issues and he takes it that someone has not been out to her home. Mrs. Chesser said no. President Murray said but all of them are very much

frustrated by this. And on behalf of the Commission he could share with her his own frustrations and hopes that this gets addressed as soon as possible. He was hoping that Mr. Poulos or one of the people working directly for him, he's our Building Inspector, will be out to see her home and address any of the immediate safety issues as soon as possible.

Mr. Warner said he would like to know who of the City staff called her a nitpicker? Mrs. Chesser said Mark Warren. Mr. Fuqua said he's going to jail, so he didn't think she had to worry, probably Leavenworth. Mr. Warner said sooner or later he was going to jail and he apologized for what he said. Nobody that works for the City should be name calling any of our citizens. It's just not acceptable. Mrs. Chesser said it was also the contractor from NBC New Horizons Development and they came and made it a joke. Mr. Warner said well New Horizons Development and some of the others, she lived at 613 E. Madison, the contractors that did the work, can we have a lawyer look at him to the legalities of what they did wrong? And we'll do everything that we can possibly do without getting in trouble. We will do everything that we can to fix the problem.

Mrs. Sharon Johnson said the port authority being used for the Marina District, is it a completely different entity from the City or a subdivision for the City in TIF Bonds, how is it formed and how are citizens appointed in Sandusky? President Murray said that was a lengthy response that they have touched on in public meetings already. He would ask Mr. Kline to talk to her after the meeting. Discussion ensued.

Mrs. Johnson asked on the Chesapeake is there not going to be a Marina? Mr. Kline said he can't answer that right now. He did not know. Mr. Kaman said but it is our goal. Mrs. Johnson said would it be by Davis? Mr. Kaman said we're still negotiating that. It may or may not be.

Mrs. Johnson said on the appointment of the committee members sometimes Mr. Kline appoints them and sometimes Dennis is appointing them to an expired term. If a term expires she thought they had to treat this fairly. If there is an expired term, that has to go out to the public saying that this has been expired and if the people who wanted to that would be expiring and want to stay on, they should resubmit their names. President Murray said the process is sometimes governed by the Charter and sometimes governed by ordinance. Sometimes it requires an appointment by the City Manager and sometimes by the President of the Commission. Discussion ensued.

Mrs. Johnson said she didn't understand why the salaried time clocks didn't have to punch in. What if they come in late, take a two-hour lunch or go to a doctor's appointment, what do they credit that? Mrs. Parthemore said salaried have to work a minimum of 40-hour week. If they take time off, they can flex their hours. If they haven't worked more than 40 hours, then they need to use their sick time for it. Discussion ensued.

Mrs. Johnson said raises for the regular employees what are the percentages? Mr. Stahl said they are contractually obligated to our collective bargaining units on some of this stuff and the rest of it they would discuss at the Finance Committee meeting. Mrs. Johnson said she meant the regular Joe Blow employees, have they had a raise yet and when does that come up? Mr. Stahl said that would be in the calendar year 2009 and that will be part of the budgeting process. Mr. Warner said he would just like to correct one thing. We have bargaining unit employees and non-bargaining unit employees, he don't know any Joe Blows. Mrs. Johnson said well our regular employees, salaried employees. Mr. Warner said it was a slam to our employees and he really didn't appreciate it. Discussion ensued.

Mr. Ginty said on the homes that they were tearing down around the City, he hopes the contracts cover the responsibility of lead paint, asbestos, etc. So where they're dumping are we covering ourselves? The Commission okayed a study of all the jobs in the City of salaried, management, unions, etc. was that finished yet? Mr. Ginty asked where do we stand on the Jiiman Dock? They were going to put it on the internet. Mr. Warner said the asbestos, he believed that was the problem on 1501 or 1502 Hayes Avenue. That has been taken care of and we hired a company that specializes in taking care of getting asbestos shingles out of that building. Once we bid it out, the contractor accepts the responsibilities for disposal. Mrs. Parthemore said on the job audit they had a final draft that they were to be revealing to make sure of the main corrections and they wanted to give it to the Commission first. She

believed it would be next week. Mr. Schell said on the Jiiman he had been in contact with a gentleman out of the Cleveland area that does marine equipment appraisals. He got his name from the Battery Park people and he has not gotten up here yet to look at it.

Mr. Jason Singer, 1810 Pelton Park Lane, said he was speaking as a citizen of Sandusky and not a representative of the newspaper. He thought there was a big mistake made tonight. He agreed with Mrs. Farrar and Mr. Stahl about Mr. Spatz and his situation because he had spent a lot of time with him the last couple days. There are an unbelievable amount of safeguards in the developer's agreement. The extra \$200,000 like Mr. Stahl said, unless the project is near completion, the City is the last one into the project. So if he doesn't get it or doesn't meet his obligations and the project doesn't get anywhere near completion, the City never gives out the money anyway. And as Mr. Fuqua said it's just time to cut the losses, but you're still in there for the original \$200,000. So March 2009 he didn't see the harm of having the extra \$200,000. In terms of jobs, he knew Mr. Kaman was skeptical about the jobs, he spoke to Mr. Spatz tonight and it's unfortunate that he's able to speak to him and they aren't. He thinks that's a major miscommunication on his part, that the City leaders and City Commission don't know his plans. He knows that he (Mr. Spatz) speaks to Mr. Schell almost on a weekly basis and somehow there is some miscommunication there. But he is planning on having stores on the street level and a restaurant and obviously retail shops and things like that to provide jobs for the City in addition to the construction jobs. He knew Mr. Fuqua said if it was a 50/50 chance, he would vote for it. He thought if there is even a 1% chance. He moved here five weeks ago, this City is in crisis. There are people without jobs. There's stores closing all around the City. If there was no risk, and if there was even a 1% chance that you could help this City, like he said it's a no risk he thought. Officials have to do what's necessary to help the people of this City. He knew that Mr. Murray said that he felt that the City Commission did everything that was obligated for the developer's agreement. He thinks sometimes doing the right thing is doing more than what's just obligated. He thinks sometimes being a good government and doing the right thing for your City is sometimes going above and beyond for what's obligated in the developer's agreement. And he knew that Mr. Murray said if it's a viable project, then he'll get the funding. He spoke to someone from Key Bank yesterday who is the one funding the project, and it wasn't so much that he couldn't get the \$200,000 extra for funding. It was that Key Bank wanted to know that the City was really committed to this project. He hoped they reconsidered and he thought it was a really good thing for the City and he agreed with Mr. Stahl and Mrs. Farrar that there is no risk here. Mr. Fuqua said five years is not a commitment? Mr. Singer said he just got here five weeks ago. He didn't know what the whole deal was, but he felt it was a shame that there has been some miscommunication. He has met with the City officials, Scott Schell he's heard on a weekly basis. Somehow it could have been arranged that those meetings could take place, probably failure on his part and their part. It's a shame what he had to go through. Mr. Warner said he did ask Mr. Schell to ask Mr. Spatz to come up to talk to us. And he wasn't into coming up and talking to them. He asked him to be here tonight for some sort of an update on the plan. And if he had brought an update on the plan himself, and stand here and faced them and say he needed that extra money to make this program go. He just didn't see a real commitment from him to want to come over and want to work with the City. Mr. Singer said as far as he knows, he will be here within the next 30 minutes. He was in Columbus and he had a meeting that ran late until five o'clock tonight. Mr. Warner said it's a nice to find that out now. Why didn't he call somebody earlier in the day? It would have been great to know that an hour ago. Mr. Singer said he didn't know if he had the right or the authority to interrupt when you guys were debating it.

Mr. Clint Jackson, 905 Fourth Street, commented on the First Annual Good Neighbors Festival and the use of the Sandusky Bay Pavilion.

Mr. Todd Stevenson, 1649 North Larchmont Drive, Kool Home Improvements, commented on what happened to the CHIP Program? He was a licensed lead abatement contractor and never received a bid or anything from the old program. He was in the CHIP Program. Mr. Warner said the CHIP Program has temporarily suspended until we can clean up the problems that we've had in the past. Mr. Kline

said the County had received a lead abatement grant that they would be administering. The office at the County was the Erie Regional Planning Commission at 627-7534 and speak with Mr. Kane.

Mr. Barry Riddle, 1338 Fifth Street, commented on double dipping and where he was paid on a contract basis and he had to pay everything with no cost to them. On the Friends of Pipe Creek Watershed one of the main projects was to be able to put water back into the ground and not run it in the sewer lines, get rid of the storm water before it goes in the combined sewers so it won't be dumped into the bay.

Mr. Tim Schwanger said on demolition properties he counted nine homes, who retained ownership of those properties if they would try to market those as single family homes? President Murray said they let out some for bid and some they actually award contracts. Mrs. Handy said the property owners who own them now will receive ownership of those. The vacant lots will be farmed out. They will assess each one of those with their back taxes and they can become candidates for a land bank program and market them. Right now we don't market them. Mr. Schwanger said also on the Rieger Lofts he wondered how many of the no votes had in the back of their minds that this was going to be the location for the new City Hall? And the new budget for next year, it's time to start talking about increasing admission's tax and they know they were going to be looking at ways to increase revenues to the citizens. So it was only fair.

At 7:52 p.m. President Murray stated that they would take a five-minute break and return for an executive session.

At 8:05 p.m. the Commission and staff returned to the table.

An executive session was held on Personnel, Charter Officers and Department Heads.

At 8:30 p.m. President Murray returned to the table and entertained motions for adjournment. Mr. Fuqua said he would so move, Mrs. Farrar seconded, carried.

ATTEST: _____
B. JOYCE BROWN DENNIS E. MURRAY, JR., PRESIDENT
v CLERK OF THE CITY COMMISSION SANDUSKY CITY COMMISSION