

Monday

MARCH 9, 2009

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 (Brett Fuqua-absent), Pervis Brown, Bob Warner, Dave Waddington, Dan Kaman, Julie Farrar and Craig Stahl 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 Administrative Staff of the Director of Engineering Services Kathy McKillips, Fire Chief Mike Meinzer, Interim Police Chief Charlie Sams, Administrative Services Director Warrenette Parthemore, Economic Development Specialist Scott Schell, Chief Planner Carrie Handy and Senior Accountant/Auditor Hank Solowiej. The meeting was open to the public and the audience and news media were present.

President Stahl 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: Brown, Warner, Waddington, Kaman, Farrar, Stahl.

Mr. Kaman moved to excuse Mr. Fuqua from tonight's meeting. Mr. Waddington seconded the motion and it carried.

Mr. Warner moved to accept minutes of February 23, 2009, and dispense with the formal reading of same. Mr. Brown seconded. President Stahl asked for a vote on the motion and with all Commissioners voting "Aye", the motion carried.

PRESENTATIONS - Peter Schade - Health Department Update & Eco-Tourism and Sustainable Cities-Lauren Berlekamp/Joshua Pribanic from Erie Wire

PROCLAMATIONS - Rotary Day; American Association of Family & Consumer Sciences; and Multiple Sclerosis Awareness Week

Under **Audience Participation**, Mr. Gene Hawk, Spokesman for the Chesapeake Condominium Association, 401 W. Shoreline Drive, said he was here tonight to express opposition on behalf of his members on Item 9 of the agenda. It was ironic that a few short weeks ago the City sent their representatives to their association meeting to convince them that the plan to be had and vote on and reviewed, was the way to go. They did a good job. They do believe that's the way to go. Unfortunately there's a new plan out there that they just found out about in the paper yesterday and saw that it was on the agenda today. The whole premise of the issues that they have are because a small corner of the new marina that is going to go up against their building. The existing plan calls for a CSO Extension, and Bob (Hagg), he wanted to thank him for coming out there today to look at their problem in person and he thought he understood their problem with the CSO Extension. The new plan does not extend the CSO and instead puts the sewage into the marina. They think this would be a health problem and they disagree with it. The second item he has is the slope on the northwest corner is a dangerous slope. The existing plan would take care of that; they could open up their fences and see that area and have a nice beautiful area. With the new plan they don't really know when that can happen. The next item he has is the setback. The new plan calls for the marina to come right up to their property line. He believed this was against their (City) Zoning requirements and would require a variance. Also there are a lot of problems with that, because the boats that would come up there would be within 30 feet of bedrooms and he knew they (City) had noise ordinances that would be violated with that. And quite frankly their insurance wouldn't cover people that would be loading and unloading boats on their property. The next item was something that really dates back to the beginning of the project and that was the sidewalk loop that was supposed to go around the building. With the new plan you cannot do that, because the marina comes right up to their property line. The whole purpose of filling in that area on the northwest corner was to build a sidewalk around on public property. They can't do that with the existing plan. So the sidewalk would dead-end and people walking there would have to turn around and walk back. They think their (City) original plan with the

original concept was the way to go. The next item is the park itself on the northwest side. There's not going to be anything like it in Sandusky. The views there are fantastic. And this is just not for the people of the Chesapeake. This is for all the citizens of Sandusky. He knew there had been some suggestions that they could build park area behind the marina, but if you come back just 50 feet, you can't see Cedar Point. You can't see the south pass, the bay, you can see the Coal Docks and that's about it. So they think that just for the entire citizenry of Sandusky, they should build that park area. The next item is he is kind of concerned about the estimate for the deduct; the estimate is a \$104,000. He did an estimate himself and he came up with \$247,000 worth. The biggest discrepancy is in the sheet piling itself that is being purchased. There is no deduct that is being offered for that. That's \$96,000. Someone is going to have to carry that for as long as, well he don't know how long, it's going to be carried, but it seems like a big waste of money to buy that sheet piling and just let it sit there. Also that sheet piling has not been delivered. So he does not know if that is a real problem or not. The other item that he wanted to talk about is that he thinks there has been some confusion about the funding of the project. The funding is starting to flow now on the TIF. He went down and talked to Mrs. Pam Ferrell at the County this morning and she has informed him that the first check will go to the City either late this week or early next week and it will be in the neighborhood of \$220,000 to \$240,000. So they're happy to see that the funding is going... President Stahl interrupted and said his time was up, but he did want to ask him a question.

President Stahl said he said earlier in his comments that he found out about it yesterday. Well he (Mr. Hawk) and he had a meeting with Mr. Kline and Tracy (Kersten) from his (Mr. Hawk's) board last week and they talked about the CSO. Mr. Hawk said he was correct. They found out that it was going to be on the agenda yesterday. They didn't know. President Stahl said they were told that at the meeting last Thursday, but he didn't have meeting minutes, but he knows it's very clear he did know about it. And they talked about the CSO, which really would only come into play for a one-year period and that would be 2010 because we're spending a lot of money, \$20 million right down the street. He didn't mean to criticize him Gene, he just wanted everybody to be aware of that meeting and they did talk about it, and they did talk about the CSO and that that would only be a problem for one year because of the money going down. We're spending \$20 million, probably the largest capital project in the history of our City that we have ever taken on. So that water won't come out there past that year. Mr. Hawk said at their Wednesday meeting it wasn't certain, it was just suggestions that might have cost more. President Stahl said well, it was pretty strongly suggested. He don't want to get in an argument with him publicly, but he wanted to clear that up. He's had his three minutes, but he would extend since he was the representative.

Mr. Hawk said in summary, they see numerous problems with this. It doesn't seem to be a plan. They don't know what's being proposed. All they know is that the northwest park is being eliminated and there are numerous problems with this. They request them to vote against Item #9.

Mr. John Ginty, 5055 Providence Drive, said on Item #5 they were going to salvage the brick, but he wanted to make sure the debris was not going to be put in the Erie County waste dump out there, because there are contaminants in that and he didn't want to be picking up costs later on. Item #4 the budget, the City says they wanted to be proactive; he can't see how they approved the budget with such a large deficit.

Mrs. Sharon Johnson, 1139 Fifth Street, said Item #5 G&C clean up, the \$50,000 she thought they were sending the wrong message to the taxpayer. She understood the situation that has to be cleaned up, but if you don't have the money, you don't have it. Now they were going to be \$50,000 more in the hole after the \$291,000 they were going to have. That's irresponsible. Item #9 Chesapeake Walkway there's evidence that the bidding integrity was compromised. She gave stats on the situation and said the project manager didn't even know what was going on and the contractor had to tell him.

Ms. Tracy Kersten, Treasurer/Board Member of Chesapeake Loft Condominiums, 401 W. Shoreline Drive, commented on Item #9 and after their meeting that this item was going to be tabled until there was a presentation made. That was why the article in yesterday's paper was disturbing. They held an emergency meeting yesterday and

their Homeowner's Association didn't understand why the City proposed a plan they all appreciated and now they want to do a change order to redo a large portion of that work. President Stahl said he thought what they were doing was to help them out and were on their side. At the end of that meeting he said let's just get it done. He wasn't part of the Davis group, but he really wanted them to have a marina. This was a way that they could get the marina going and actually in his mind get this thing started in July and take a little deduct, because there is no sense in doing the work and having it torn out. Ms. Kersten said they don't believe that the work would have to be torn out; that was part of their objection. President Stahl said he thinks her objection, they were talking 30 or 40 feet of an area that they would use for a dog run basically correct? Ms. Kersten said well, their Association would like to see the work that's currently under contract finished and move on from that point on forward towards the marina. They're all excited to hear talks from the City regarding a marina. They've been waiting for a very long time. They're not dismissing that conversation. President Stahl said they're anxious to get this thing moving. They were at the Fire Station meeting when this thing was first presented to them. This idea of the marina had not been discussed. At least he had not been privy to any of those discussions. This started going, he believed Mr. Hoty he believed brought it up to get things moving to get it done. If they want to get things done this year, time is not our friend. And he knows a lot of Commissioners have said that when we've done things in a hurry they've been wrong. His goal for them is to have boats in that marina next year. If you want boats in that marina next year, we've got to move real fast right now or she's moving out to 2011 at the earliest. Because if they don't do it now, they can't dig until next year and as she knows that the digging time isn't conducive to our ice time. Ms. Kersten said they can't dig until after June 30th anyway. And Gene and she left that meeting with the understanding that because Hoty's has to take a break here very soon in the next week to 15 days, they're going to have to take a break during spawning season. She thinks that buys them a little bit of time for some more and clearer communication between their Association and the City, as to the plans for the marina. President Stahl said John Hoty representing Hoty & Hoty Builders said that they needed to go ahead by the end of March so that they could work with the ODNR and our Brownfields consultants. Ms. Kersten said they cancelled their meeting for March 22nd with Matt Kline with their Association. President Stahl said to get things going, but they couldn't wait until the end of June, even though that's our availability to date. They thought it would take the whole digging time from the end of June. So they needed to get this thing going. And he has worked with ODNR and this was a deduct rather than an add that we already had with them as far as a footprint. It should be okay, but there are a lot of hoops that you have to go through with ODNR 401C3 Water Quality Certification and they check the spawning and things. There was a lot of paperwork that goes into it. You just can't click your heels on April 1 or June 30th and say okay we're here and we now have approval and we want to start digging next week. There's a lot of background work that has to go on with ODNR. Ms. Kersten said and they can appreciate it, but it is their position at this time. They ask them to vote it down, the change order. President Stahl said it was pretty straight. Here's the Commission here that's saying we want to build you a marina and you're basically saying not yet, we don't really like your design. Ms. Kersten said no, that's not what she's saying. President Stahl said they were trying to help them out. He understands their concerns. He thought they had a great meeting last week. He thinks tonight was very beneficial and they wanted to get along and they didn't want to fight with them, they just wanted to build them a marina. Ms. Kersten said and they wanted them to build them a marina. They want to do it the right way and they're just not sure that rushing into this so abruptly is going to bring them that. President Stahl said the problem they have as City Commissioners Tracy is that the citizen that was up before her, felt bad that they had spent \$50,000 and questioned how they spent it. If the deduct, as she (Tracy) says should be \$200,000 and Hoty says it should be \$100,000, it doesn't matter. That would be just like throwing money away if they were going to do the marina in this way. Ms. Kersten asked now how would that throw it away? President Stahl said because if they had to rip it out and start over, it kind of like feels like another misuse of the additional use of... Ms. Kersten said they were just not convinced that would be the case. President Stahl said okay, but they're all on the same team. Ms. Kersten said she did believe they are. She thought they were on the same side.

Mr. Tim Schwanger, 362 Sheffield Way, representing the Waterfront Watchdogs/Brownfields Committee, said it appears by Sunday's newspaper that Mr. Hoty was promised this project for the marina. He questioned how that came about. That probably should be bid out just like the Walkway did. He guessed that the concern is that the plan that Mr. Kline has come up with takes out the Plaza, he has a problem with that. Also with the plans that were drawn up he has a concern over what they call way of attenuation, which means if they get a northeast wind for three days, the waves come down that wave wall and they crash into Deep Water Marina. You get a deflect and it would actually come back into the marina. We've had that problem with other marinas in the vicinity and the Murray's have had that problem initially and the Yacht Club has done a number of changes in their design. He questioned in talking to some of the Commissioners, they're not even aware of some of these plans. He wondered where they came from; did somebody pull them out of the air? You guys got to communicate a little bit better.

Mr. Kline said before the next person, if they just want to end the debate, it was never the intention of taking out the entire northwest Plaza. The Hoty's had approached them with the idea of a transit marina, a staking of the northwest Plaza, putting together an entire plan for design, which included the northwest plaza and the marina. But as he talked to this developer this afternoon, the easiest thing to do is to move to go with the change order and just finish the project as it's been designed. That's the easiest thing for him as well. President Stahl said he thinks that Mr. Hoty hasn't felt the heat of the City, because no one arguably has built more boat docks in northern Ohio than the Hoty family. He's known them for a long time and they are the most honest, upright, upstanding individuals that he knows. He drives out in Perkins Township and all he sees is Hoty Builders and he sincerely hopes that it doesn't mean that they are no longer interested in Sandusky. Because we want them here and they are a great family and they do a great job and there's a reason why they do a lot of work in Perkins Township. When Mr. Kline first got here he took him out to Hoty Builders and told him about all of the possibilities of things that they could do in this town. Mr. Hoty is only guilty of one thing, he wants to put a marina in downtown Sandusky and help the residents of this City and the residents of the Chesapeake to get a marina this year. So if they are guilty of something, they are guilty of trying to do something. And if the builder says they should vote no on Issues 8 and 9, then he guessed that they would vote no. They're hopeful that they could still pull this deal together. Mr. Kline said the whole idea was to try to make the best cost the most cost effective plan, that's all. But for them (Hoty), it's just as easy just to finish the project that what they bid out.

Mr. Kaman said he guessed he would go out of order, but when he, Mr. Waddington, Mr. Fuqua got elected five years ago they turned off the TV. at the public portion. They changed that for transparency reasons. They got rid of the agenda-enforced three minute and five minutes rule for situations like tonight when you have people that want to talk and address the Commission. So he just wanted the public to know that he wasn't part of the discussion. Mr. Stahl never asked them their opinion on that, or least he didn't ask him, and he was against that. As far as saying when they do things fast they screw up, he agrees. They do put the cart in front of the horse and this is an example of it. This was an idea thrown out a while ago. So they never had any formal meetings on it as a Commission, the seven Commissioners sitting in the same room. They never got to sit down as a Commission with the residents down there. And he's glad to hear now finally after his objections last week to Mr. Kline and the Hagg's in our EPA meeting about this, that now they're talking about the sewer lines. That was his concerns from day one. And he agreed with him, he loved the marinas Hoty's build. They run great marinas, they build great marinas, but he as one Commissioner speaking as himself, he would like this project that they started get finished first and then move on to the marina. He understands he's telling people that we're not going to start it for five years. He don't believe that's necessarily true with the money starting to come in from the TIFs. He don't see anything wrong with moving the marina 20 yards west so you alleviate some of the issues Mr. Hawk brought up. He just don't think the Commission as a whole got to put any input in on this, and this is like many items. But he looked forward to further discussion when they get to this point, but he just wanted to make sure that he don't favor the time limits either. If people go over the time limits, it's been accepted the last four years, he just wished it was still accepted. President Stahl said he thinks what he was doing, he remembers and he (Mr. Kaman) gave a direction and

he thought it was very good, he said there were time limits, but he could extend those time limits at his own discretion. He would tell them that he thought that everybody that has spoken tonight has been extended. Mr. Kaman said the only time... President Stahl said his intention Mr. Kaman, if someone like Mr. Hawk wanted to talk, he's already extended this thing and he would continue to do it. But the problem is that some of the people on this side of the table had complained when other citizens had gotten up and talked for ten minutes and he's let some citizens like Mr. Zoellner go back to the podium twice. So that's what he's trying to look at. Mr. Kaman said they're our bosses and until they become personal attacks. When he was Mayor, they could stand up there for an hour and a half if they wanted.

Mr. Bob Zoellner, 1401 Ogontz Street, said with all due respect Mr. Stahl, the night he spoke for 10 minutes he addressed an issue that he asked about for two years. So he thinks his ten minutes was more than appropriate waiting for two years for an answer to his questions that it still took him another month to get. Secondly, the night he spoke twice, both of those times together lasted less than three minutes. Item #9 since they were still discussing it, Mr. Kaman he applauded him 100%, his remarks right before he started sharing were 100% correct. He don't think the issues here on this item here has anything to do with the Hotys. He don't think it has anything to do with the marina. He thinks it has to do with what you yourself brought up of making decisions too quickly sometimes and getting it wrong. Please listen to the folks who live in the Chesapeake Building. They're the ones who have to deal with this. They're the ones who see this. They're the ones that live there. Please listen to them. Do it in due process. That's the word we've heard several times now down there in the last few months. It sounds like due process and not doing due process and getting things in a lot of trouble in this City. It's time we started doing things in the proper order. Regarding Item #4 it sounds like they're going to ratify our budget this evening. This past week he asked for some feedback from the City regarding what budget cuts had been proposed and what had already been implemented and they planned to be implemented for this year. In the information he received back, it didn't look like he had any answers to those questions. So his question tonight is what budget cuts and what things to eliminate expenses are they looking at this coming year? President Stahl said they would talk about that during the budget. They'll answer that question. They're not going to give it to him until then. Mr. Zoellner said let him give them another idea. The last time he made some suggestions. If they want to continue to hear ideas from them again, 80% of our budget are wages and salaries and their benefits. He's sorry, that's just a reality of life. If they look at our newspapers, we're in trouble, not just this City, not just this state, but this country. We're continuing to lose jobs. Our revenues will continue to go down. We have to cut expenses. If they need ideas, he suggests that they start with the people that work for this City, but don't live in this City. Also they say that Item #4 on the agenda they are going to work tirelessly toward increasing General Fund Revenues. Again, as a government agency that means taxes. So he would hope they would express to them what kind of taxes they were proposing to come to the City, to the residents of the City of Sandusky, because as he stated before and many agreed with him, do not tax them anymore. We can't handle what we have. Our City is in trouble and they need to find ways to cut some more expenses from our budget.

Mr. Craig Hartman, 401 W. Shoreline, Vice President of HMA, said he would like to thank Mr. Stahl and Mr. Kline for their efforts on this marina, because clearly it is a big goal for all of their association. But as stated by Tracy and Gene, they're really uncomfortable with the change order and this contract. It looks like the contract was really well thought through and properly bid, secured, started and he would like to see it finished. He would like to tell the City Commission that they take some time and they can fast track this just as they mentioned, if it is 91 days they can't wait July 1 to decide to deal with the problem. But they themselves, the Chesapeake Board can work with the Commission and maybe work with the Hotys and work with the Hags to come up with what is the best thing for the City. He thinks what's going to be good for the City is going to be good for the Chesapeake Lofts. It is the consensus and the majority that they would like to see the project completed as voted and as contracted, but they would love to sit down in a very cooperative way with Mr. Kline and Mr. Stahl and the other Commissioners and come up with how can they more cost effectively put a marina in there that would be really great for economic development for downtown Sandusky.

Mr. Wes Poole, 1939 E. Oldgate, said Item #3 he would like them to do the change order for \$30,000 for the Monroe Street Project. It came to his attention that the work was done in November and December and if when they would have a large amount of money, at least before it's done or within one meeting after its done if it is an emergency, just reiterate what their policy is.

Mr. Adam Cottrell, 511 Reese Street, said are all of the Commissioners satisfied with their input and changes or lack of changes for our budget? Mr. Kaman said they had one and a half meetings on it. So he's not happy with the budget and he's voting no. Mr. Warner said he's talked with City Manager Kline and he has a plan and he explained it to them. If that plan worked, he would be okay with it.

Mr. Brian Faralatta, 154 W. Shoreline Drive, said he didn't want to beat a dead horse, but on the marina project there is no timeframe given. As far as stopping the walkway and bringing the marina right up to the property line, does that mean the general public using the walkway are going to access their property to keep walking down on the marina? And he has nothing against the Haggs, he was just wondering how they became contracted by the City to oversee this project? He assumed that the City had people that could do this and we paid them money through taxpayer dollars to do certain things. If he is wrong, that's fine, but he just thought we had people in place to do those types of things. President Stahl said they have a contract with the City to spend \$90,000 on Brownfields Projects. Once that \$90,000 is up they would have to come back to the City Commission for approval. Right now the Haggs have been a valuable asset to us as far as migrating through this whole maze of brownfields issues, which he thought was very helpful to the Chesapeake Project to get that accomplished. Mr. Faralatta said as far as the public access, if this change order did go through, it would stop at the corner and... President Stahl said he didn't think it would go through now, the builder asked that it not.

Mr. Angelo Hoty, Hoty & Hoty Builders, said in today's economy he didn't think anyone would like to cut revenues. And the fact that they made the suggestion of cutting their own revenue, should tell them something. There was that desire to try to save the City some money when they were informed that they had an interest of developing a marina. Just the fiduciary responsibility of doing this project, it was necessary for them to point out to the City that if they do go through with the fill of the land and the sheet piling, if they wanted, then later on they wanted to go back to put the breakwall, they would have to tear out a portion of that sheet piling. Now, in order to save the citizens and the City some money, it was recommended that if that was the desire of the City, that they would hold back the project for a period of time in order to be able to save the citizens of the City some money. They would love to do the project as they bid it and as they wanted, and they would love to do it in that fashion, because it's more revenue for them. That will costs every citizen if they go with the second part of the marina, additional dollars, because they're going to be some modifications made. For one thing they are going to have to put a lot of fill into the water and then work around that fill. He thinks there's a lot of good comments that were made here that you could design the marina in many different ways and he certainly agreed with them. He put a man on the moon. They know how to redesign a marina around 40 feet, that's not an issue. The issue is cost. And the only reason that that was brought to the attention of the City was to save some money for the City so nobody comes back later and says why didn't you tell us that this corner here would have to be removed in order to continue on. That's the only thing that was brought up. Do they want to do the project? Absolutely. Do they want to continue the revenues that they bid? Absolutely. They don't want to give up a \$100,000. They don't want to give up \$200,000 certainly. They want to complete the project. They just brought this to the attention of the City in order to do a better job for the citizens of Sandusky. Any questions?

President Stahl said he was doing a great job on that breakwall. Mr. Hoty said they're working in sub-zero weather. They're working trying to get it done.

A man from the audience asked when was the proposed marina supposed to go in? Mr. Hoty said actually, they don't know if there is going to be a marina. They're not proposing a marina. The man from the audience said that's exactly his point. Mr. Hoty said this is the City's job. They are developers and they're not actually the designers of the marina. They do not design marinas. They can build it. They'll build it 40 feet out, 20 feet out or 10 feet in. What they did is they brought this, as he said earlier, to the attention of the City that this was a cost savings for the citizens if they so desire that. If the citizens decide to not finish the project, even though it's

going to cost them more money, they'll be too happy to do that. But everybody should know what is going on and not just calculating. To put all that sheet pile in there and then you go back and do that corner, it's going to cost.

Mrs. Farrar said Mr. Hoty, in his professional opinion and we follow through with the marina, he believes that we're going to have to redo that work? Mr. Hoty said a portion of the work is going to have to be redone, that's correct. Because it's not necessary first of all to be putting armor stone around sheet piling when you're coming to the inside; that's not necessary. So if they would have had a design in front of that, they would see that part of that would have to be removed in order for them to continue with a new breakwall. And it's just a suggestion and savings as he said earlier. They can do that and he's sure if the right people get together, they can design that area in a way that he thinks will be pleasing to everybody and the less impact dollars as wise as possible. President Stahl said so Angelo what he was saying was he wanted to work with everybody. You don't want to be adversarial. We tried. This was just an idea. Mr. Hoty said this was a cost savings idea that they just brought up to the attention of the City for later on. When they got involved with this project and did this project, they did not know that he wanted a marina next door. Now he might have known that, but they didn't know that. So they just bid the project as was given in the public notice. When they got involved in the project and a new idea about the marina came about, they just pointed out to the problem that would occur in the particular corner unless they filled it and did the other work. And in order to save money they said maybe they needed to look at some alternate plans from that. But the comments that he heard tonight are very good and he thought they were very productive, because there is different ways of doing it. Timing is a different fish, but the comments he heard tonight were very productive.

President Stahl said he kept on doing the East Harbor Renovation, how many docks has he put in this City the last 25 years? Mr. Hoty said about 3,000 docks and 23 years. President Stahl said he knew the marina business pretty well and he appreciated his interest in the City of Sandusky. It may not work out totally the way they wanted it too, and he thought their enthusiasm for getting the marina is shared by him, and hopefully they could work through this at some point very quickly. He was looking out for them and wanted to get something done this year and he thinks that is to be congratulated. Mr. Hoty said he's lived in Sandusky 10 years and he's done some nice developments. They changed Barr Rubber into a marina. They changed Vulcan Materials into a marina. Some of the people know the plans and what they looked like when they got involved. This marina that they are talking about is really a very simple project, a very simple compared to the projects that they have done in the past. They just wanted to bring it to their attention that they do not want to spend money for them that was unnecessary.

Mr. Bob Getzel, 401 W. Shoreline Drive, said just to amplify a couple comments that have already been made, as Gene pointed out there are over 200 people now that have invested in the Downtown Sandusky Project and investing millions of dollars. A popular phrase is that we hit skid in the game and he thinks that the objections are more to the process. And as he thinks Mr. Stahl acknowledges the meeting just last week, which obviously didn't give their board an opportunity to have any meaningful dialogue with the 200 members of their association. And to have legislation ready to be passed that would affect them directly, those that are affected most by the legislation, he thinks is premature. And there hasn't been a comment yet about a related item, which is Item #10 on their agenda, the proposed amendment or Supplement to the Development Agreement, he would submit to them that those go hand and hand with this issue. And again, as those that have invested have a very direct interest in the relationship between the City and the developer and this development agreement. And he would even suggest that the development agreement has certain aspects that are binding on all of the owners of the association. And to go forward and to modify and basically eliminate any future obligations with MidStates, the original developer would have without allowing some input, he thinks is premature and he would ask them to also consider voting against that item until they can have some sort of input with that. As they are all aware, the City has actively marketed this development project and their investment has provided tax revenue and this Chesapeake Project thus far has been the most successful downtown development project in the City of Sandusky. They're providing not only tax revenues, they're patronizing the businesses. They're the ones down there, they think by their investments, they're all very firm believers in the future of the

downtown area. And they just want to be included in the process and feel for those reasons that those two items on the agenda are premature and they came to ask them to vote against both of those tonight.

Mr. C.J. Codell, Attorney, said he was not a resident of Sandusky, but he did represent the Condominium Association. He thanked the Commission for providing the owners, board members and himself the opportunity to address the issues pertaining to Item #9. Specifically he thinks of a few things when he thinks of this project, one is communication, which again he didn't want to beat a dead horse, but he thinks the communication needs to be improved in a point where they began this project. He was very encouraged tonight to hear the issues of communication and the things that could be done in the future in conjunction with the association would be moving forward in a positive way. He was also encouraged by Mr. Kline's comments that this issue may be voted down tonight in its entirety. He thinks another word that comes to mind is commitment. One thing to keep in mind is he doesn't have the bring as you guys do in representing the constituency. He had a client, but with a significant number of owners made a significant investment into this community. They were talking \$30 to \$50 million. And he thinks when you are told that something can be provided to you, whether it's a marina, whether it is a sidewalk, whether it's another amenity, then you're buying and investing in that project based on that commitment and that representation. And he thinks that he speaks on behalf of everyone when he mentions that there is concern about the City's commitment with that project going forward. He speaks to hear that those issues would be addressed, but he would also keep in mind that as far as other projects are concerned, they touched on the issues that people expect a broader spectrum of this community. And that's the community is going forward in other associations, and other developments and other investments and owners are going to be putting money into condominiums and marina. And he thinks anything like that in the future he thinks this decision tonight and how this project is going to go forward, is not only just going to affect this community specifically, but whether or not other folks invest in Sandusky moving forward in the future. This Commission has to make sure that the promises that were made are promises that were kept and he did appreciate their efforts tonight in moving forward and letting them air these concerns. President Stahl said he think the one thing that proves that this City want things to happen at the Chesapeake, when they're down here talking about the marina, which was on nobody's radar that it could possibly happen this year, this quickly. He thinks that stands alone that this City was looking forward as a progressive looking City. Again, we want to work with them and we want to get it done. It was the line of communication and all of them up here have said the same thing. And it was unfortunate that Mr. Davis passed away in the middle of the whole thing and they can't help that. Mr. Codell said he understands that. He knows there's practical issues to this project.

Mr. Gil Dettrick, 513 W. Madison Street, said he was not a member of the association, but he had been listening and it seems like everybody was worried about the downtown area. What about the rest of us, there are 200 people down there, what about the other 40,000 in this City? They're worried about a square 40 foot. It's just like this whole meeting has been took up with that 40 foot, not 40,000 people, 40 foot. There are people there that it seems like don't count; 200 people count; 40 foot and a marina project. What about them, they don't count. Scotty (man in audience) got MS. There's walkways that he can't even run his wheelchair up and down, they don't count. Kathy Wickens is in a wheelchair and can't run down some of these walkways, because the streets are bad and the sidewalks don't work. Forty foot is more important than them getting around, because you're arguing about Mr. Hoty does fine work, can we get him to fix sidewalks? President Stahl said they were down here every other week at five o'clock and they talk about every citizen that brings any complaint here and they totally listen. And he will tell him that there are some awesome things that they are trying to make happen in Sandusky. In his neighborhood just down the street from him the underpass on Hayes Avenue they were trying desperately to get a whole bunch of work done. Just to the north of him the biggest investment in the City's history as far as what they spent \$20 million on the Sewage Plant; so there's stuff going on. They face just like every other city, a whole set of issues. Now the reason the Chesapeake was funded with a TIF Fund and the taxes they pay, roughly \$350,000 a year, by agreement has to spend around the Chesapeake. Ms. Kersten said its \$500,000. President Stahl said so that money

isn't their money, but by agreement has to be spent around there. That's why we have the money to help them out. So we have to cognizant and be good stewards of the money that is in that pot so to speak, it has to be spent around there. He would love to spend it on doing roads. All you got to do is drive around this town, and after this winter you will need new shocks for the shock absorbers, because we can't pave streets. And Tracy don't leave because after this he wants to talk to her about that 40 feet. Discussion ensued.

Mr. Henry Matthews, 917 Ogontz Street, said he had been in this City some 65 years and north of Fifth Street they almost need a wagon to go up and down the street. So he was wondering if there were any plans to look at that section of street? South of Fifth Street was redone a few years ago and he thought maybe the next year they would repair his, but it hasn't happened. So wondered if there was a slim chance? President Stahl said he thinks there were some Stimulus things they were working on, but they were getting a little off base because it was agenda items only. So Mr. Kline could he answer. Mr. Kline said he couldn't answer on that particular street. Mrs. McKillips and Mr. Schell were going out and doing complete lists for the Commission. Mr. Warner said that was next to his street and he had been wanting to complain about that street for the past three years. Discussion ensued.

Mr. Harry Brady, 190 E. Main Street, Norwalk, said normally he actually came to the meeting to listen, but when he saw this on the agenda he knew there were going to be some fireworks. He went out to the Chesapeake today and talked to Mr. Hagg and his thoughts are a little different then than they are at this point. He understands when a contractor bids something they are bidding a package that's given to them by an entity wants it built. They would call something value engineering if you look at it beforehand and say well if you do it this way, it's going to save you money in the future. When he was a contractor years ago and when they were about to start the homeowner would say oh by the way I want to do this next. This next should be done this first and so he would stop right there and say look before we go any further and do anything, let's take care of the this first before we take care of the this and that. And in a case like this right now, he don't know Mr. Hoty real well, it seems that the City with the budget crunch that they're in, would want to at least take a look at the this now and do this next second. You're under time restraints now with ODNR and that makes it very difficult because the marina wasn't mentioned, but it certainly made sense to him that you drive a sheet piling you drive it once and not twice. It's an expensive process. It makes sense to him that if there is one point at which there can be a happy compromise drawn that does not require a lot of backpedaling to complete a marina, that he knows everyone in this City or most people would like to have, it is an added feature, he thinks it would be very fiscally responsible to take that into consideration. Discussion ensued.

After a question from Mr. Tim Schwanger, Mr. Fuqua said he was a union supporter from birth and his whole family at one time or another has been in the union. And the union contract, he would have to disagree that this would be discriminatory, because the union contract that's a legally bound document. We have no choice, we have to honor that. And he would much rather, he would support freezing wages as Mr. Waddington has suggested, because he can't see in this economic climate even think about laying anybody off. And he knows he keeps saying red flags go up and we're squeezing every penny we can right now, but he's going to say publicly on the record right now, he is not going to support any suggestion of laying anyone off. He can't do it consciously. He can't do it morally. That's just not something that he would be willing to discuss, but he would be willing to discuss the freezing of wages for maybe more than a year if they have to. He don't know how our employees feel, but if he was in that position, he would much rather take a freeze rather than see one of my fellow employees have to hit the street. That's just him. President Stahl said the thing he worries about Mr. Fuqua is, and they all feel rotten about this deal. He feels like it was a very tough vote for him on Friday after he had given his word that he'd go with that 1% poll to go with no increase. If they agree to freeze wages and not lay anybody off, then we're going to have to trim beyond, it's a tall order. Mr. Fuqua said then maybe that's what we have to do. He knew people didn't want to say this and he'll probably get beat up in the press about it. He don't read the blogs, but he hears he's been in it recently, but maybe they may have to look at cutting services. And he's said this before a few years ago when they were having the same

conversation, he would rather see them cut services rather than cut people. President Stahl said he thinks they all believed that. Mr. Fuqua said from what he hears, Ohio Unemployment not's doing that well; they just had to borrow money to make their bankroll. And we really don't need to put anyone else on the unemployment line.

Mr. Schwanger said he didn't think anybody came to this podium tonight questioning Mr. Hoty's integrity. He's seen the man's work, he watched him build his marinas and he's fantastic. The question is at this table right here, your lack of discussion, your lack of transparency. They preach about transparency almost every week and there's a lack in there okay. Number two, there's no reason why this marina still can't get started in July. You take Mr. Hoty's plan, if you so desire to let him finish up with what he wants to do, and you go out for bids based off of the Hoty work and then do your grant. You put it out for bid, ask for design plans, and then away we go. President Stahl said the lack of transparency was that this was all of Mr. Hoty's idea, and there just wasn't time. And it's not anything that anybody hid from anybody, at least he didn't believe so, he never saw a drawing until Thursday. Mr. Schwanger said is he wrong when he says that we've planned on taking a \$100,000 off of Mr. Hoty's contract and then give him the rest of the Marina Project without putting it out for bid? That's what he's getting out of the newspaper. President Stahl said well that's not our intention at all. Mr. Schwanger said he just wanted that clarified. President Stahl said there was no such deal. Any other comments agenda items only.

Mr. Waddington asked could he make a motion to do the Chesapeake Item #9 first? President Stahl said yea, and they would let everybody off the hook. But you know what, he would hate to do it to you guys, but we have a public hearing first.

President Stahl then declared the public hearing open on The City of Sandusky's intent to submit to the U.S. Department of Housing and Urban Development under the Community Development Block Grant (CDBG) for the 2007 Consolidated Annual Performance and Evaluation Report. Mrs. Carrie Handy said she was here about a public hearing about our CAPER Report and she had a sign in sheet for everybody to sign in and extra copies in the back of the room.

Mrs. Handy said the CAPER Report is the Consolidated Annual Performance Evaluation Report for our Community Development Block Grant Program. It's an annual requirement that we have to submit this report to HUD. It's a little bit later than usual because of some of the issues that we have had with our program in the fiscal year 2007, but we did complete it. Fiscal year 2007 covers the time period from July 1, 2007 through June 30, 2008. So there was quite a bit of that timeframe when the programs were kind of on hold while we resolved a lot of our issues with our Housing Program and that is noted in the report.

Mrs. Handy said we do have some accomplishments though and into the report from Page 2 through Page 8 are the major accomplishments of the programs that they did work on and the activities that we worked on and met the goals of our Consolidated Plan. Particularly on Page 7(b.) it gives a breakdown of the actual funds that were spent for each activity in FY 2007. Obviously those real quick under the Goal: Complete infrastructure improvements in neighborhoods; complete separation of storm and sanitary sewers; continue street resurfacing and complete construction of accessible sidewalk ramps. We spent a total of \$337,000 (\$337,566.68). The three projects that that included was: completing some of the Shoreline Drive Roadway Improvements for \$265,000 (\$265,983.92); installing Handicapped Ramps along Monroe Street for \$47,000 (\$47,300.56; and installing new sidewalks on Tiffin Avenue in specific locations for \$24,000 (\$24,282.20). Under the Goal: Increase access to parks and bike paths; create new neighborhood parks; promote pedestrian connectivity between parks and recreational opportunities we spent a total of \$89,000 (\$89,585.84). Those included projects at Dorn Park with Baseball Field Improvements; Wightman Wieber Park, which was Play Equipment; Signage of Historical Markers around the Underground Railroad Statue in Facer Park; and Youth Scholarships for Recreational Programs. Under the Goal: To prevent homelessness in the City of Sandusky we spent a total of \$20,500 that included \$12,000 to the Volunteers of America for the Emergency Housing Assistance; \$6,500.00 for the Center for Cultural Awareness for their Bring Them Back Program, which provides aid to low-income children; and \$2,000.00 for Serving Our Seniors for

their Drug Repository Program. Under the Goal: Improve the existing housing stock; reduce the numbers of substandard units; providing incentives to property owners and developers; implement stronger code enforcement in the amount of dilapidated structures; and reduce lead paint. They spent a little over a \$103,000 (\$103,610.02) on Emergency Home Repair Projects of about \$8,600 (\$8,680.00); Rehabilitation Implementation, which was with staff time was \$28,000 (\$28,682.30); Exterior Rehabilitation Projects was \$9,600.00; and Clearance & Demolition Projects was a little over \$56,000 (\$56,647.72). Under the Goal: Increase homeownership rates; assist renters in transitioning to homeownership; construct new housing that will be marketable to home buyers and thus increasing the housing supply. We spent a total of a little over \$58,000 (\$58,333.32). And \$8,300.00 (\$8,333.32) was spent on Homebuyer Counseling; and \$50,000.00 was spent assisting the VOA to complete their Corason Project out at the Foxborough neighborhood. Under the Goal: Redeveloping vacant commercial buildings; leveraging grant programs to produce incentives for private developers to redevelop properties; and reduce impediments to industrial expansion we spent a total of \$26,000.00 (\$26,188.76); a little over \$14,000.00 (\$14,835.76) was for Economic Development and administration which was staff time to help with this project; and then a little over \$11,000 (\$11,353.00) was loaned to Erik's Clothing for Men to start a business. We have since given him additional funds to FY '08 to get through that and he drew more of that project just at the end of the year. So he has drawn actually \$43,000.00. So that had helped with his startup. We will see that money come back to our Revolving Loan Fund. So those are the major accomplishments for the year. *So if anyone had any questions, she would be happy to answer them.*

Mr. Kaman said a lot of discussion was on Item #5, the G&C Foundry Cleanup. On Page 17 of this report, Paragraph (c.),

“Working on economic development projects such as the Marina District, the Paper District, and company expansions in order to provide additional jobs opportunities for local residents;”. And on Page 30, Paragraph (d.), “Detail the total number and the amount of loans...” given “...that have...defaulted...” One was the G&C Foundry, which “...went into default...” “...the City was repaid \$48,649.50, which was the balance due.” Going back to Page 17 on the bottom paragraph, the YMCA we offered to give them \$40,000. That didn't happen. Those funds were put back over to Emergency Housing and the Hotel Reiger Project. The Hotel Reiger Project is off our drawing board. So if we look through this report and they do a little more digging, he was sure G&C Foundry's cleanup could get paid for sooner rather than waiting for the owner, which they are still going to go towards the owner of the property to clean it up, but there are ways to pay for this thing. He just wanted to point that out because people keep questioning that clean up. *President Stahl asked were there any other questions for Mrs. Handy from this side of the table?*

Mrs. Handy said they would be hearing from them real soon; they're working on their Five Year Consolidated Plan for '09 through 2013. So watch for public hearings. They have to submit that to HUD by May 15th. President Stahl asked were there any questions from the public. **As there were none, President Stahl declared the public hearing closed.**

Mr. Waddington said he would like to make a motion to accept all communications at once for tonight's meeting. Mr. Warner seconded and it carried unanimously.

President Stahl said they would deviate from the schedule to accommodate people that have all sat here for a long time this evening. He was going to go out of order and go to Item #10 first. They would make the decision first before they talk about any other item.

ITEM #10 - Communication – Matthew D. Kline, City Manager

BUDGETARY INFORMATION: The Developer will pay to the City the total amount of \$100,000.00 within ten days following the effective date of this agreement.

ORDINANCE NO. 09-018 - Authorizing and approving a Supplement to Development Agreement with Mid-States Bayfront Development LLC. It was moved by Mr. Warner and seconded by Mr. Brown that this Ordinance be passed under suspension of the rules in full accordance with Section 14 of the City Charter.

Discussion – Mr. Kaman said by doing this it is going to free us up to do further development along the Paper District. The original development has gone by the wayside with the passing of Mr. Bob Davis. And he just feels that he would be supporting this and this will help us for further development down there. Thereupon

the Clerk called the roll on the motion and the vote was as follows: Yeas: Brown, Warner, Waddington, Kaman, Farrar, Stahl, 6. Nays: 0. Thereupon the Clerk called the roll on final passage of the Ordinance and the vote was as follows: Yeas: Brown, Warner, Waddington, Kaman, Farrar, Stahl, 6. Nays: 0. The Ordinance passed.

ITEM #9 - Communication – Ruth Haag, under contract by City

BUDGETARY INFORMATION: The second change order will have no affect on the budget, only on a milestone within the contract. It is estimated that the third change order will decrease the budget by approximately \$104,050.00, as detailed below for each numbered bid item:

- 3. Sidewalk concrete: -2,550 SF x \$3.80/SF = -\$9,690.00
- 4. Gravel base of sidewalk: -2,550 SF x \$0.55/SF = -\$1,402.50
- 5. Excavating for walk (neglected as insignificant)
- 7. Hanover Lanterns: -5 x \$1,200 EA = -\$6,000.00
- 8. Cable & conduit installed: -255 LF x \$4.50/LF = -\$1,147.50
- 9. Seed/mulch/fertilize/topsoil: -9,500 SF x \$0.22/SF = -\$2,090.00
- 11. Common borrow, on-site material: delete item = -\$8,000.00
- 12. ¾" gravel borrow, on-site material: no estimate
- 13. Compaction: no estimate
- 14. 48" RCP: delete item = -\$25,740.00
- 15L. Steel sheet piling labor: -255 LF x \$196/LF = -\$49,980.00
- 15M. Steel sheet piling materials: no deduct due to materials ordered

The current contract with Hoty Builders, LLC, is \$784,744.00 and with the deduction of this Third Change Order estimated in the amount of \$104,050.00, the estimated revised contract cost is \$680,694.00, and will be funded with City Capital Funds, based upon notes to be issued by the City and retired with the proceeds from the TIF arrangement on the Chesapeake Lofts Condominium.

ORDINANCE NO. 09-017 - Approving and ratifying the Second Change Order for work being performed for the Paper District Public Waterfront Improvements Project "Chesapeake Walkway Project". It was moved by Mrs. Farrar and seconded by Mr. Warner that this Ordinance be passed under suspension of the rules in full accordance with Section 14 of the City Charter. Thereupon the Clerk called the roll on the motion and the vote was as follows: Yeas: Brown, Warner, Stahl, 3. Nays: Waddington, Kaman, Farrar, 3.

Mr. Kline said there were two ordinances. The first change order remember is asking for an extension of time for in-water work until March 22nd. The second ordinance is what everyone came for, which is the financial one. The first one is legislation to authorize, correct him if he is wrong Bob or Ruth, but it is to authorize an extension of time. Mrs. Hagg said yep, the ODNR. Mr. Kline said the ODNR and the Army Corps of Engineer. President Stahl said this is the one that we ordered in at the previous meeting, correct. Mr. Kline said correct. President Stahl asked that the Clerk re-poll the Commission. Thereupon the Clerk called the roll on the motion and the vote was as follows: Yeas: Brown, Warner, Waddington, Kaman, Farrar, Stahl, 6. Nays: 0. Thereupon the Clerk called the roll on final passage of the Ordinance and the vote was as follows: Yeas: Brown, Warner, Waddington, Kaman, Farrar, Stahl, 6. Nays: 0. President Stahl declared the Ordinance passed.

ORDINANCE NO. ____ FAILED ____ Approving and ratifying the Third Change Order for work being performed by Hoty Builders, LLC of Sandusky, Ohio, for the Paper District Public Waterfront Improvements Project "Chesapeake Walkway Project" and to deduct the contract amount by an estimated amount of \$104,050.00. It was moved by Mrs. Farrar and seconded by Mr. Warner that this Ordinance be passed under suspension of the rules in full accordance with Section 14 of the City Charter. **Discussion** - Mr. Warner said he had a couple things to say about this. First thing is he don't believe that the \$104,000 is enough to give back for the work that's not going to be done. Second, he don't believe that in any way, shape or form that we need to put a marina right up against somebody else's property. He believed that there needs to be a public space in between them. There needs to be a private space, which the Chesapeake owners own, public space that is open to all of the public, and then we can move into our Transient Marina. He don't know if the whole plaza should be built, but he knows there's something that's got to be built in there in order to separate those two parcels. You can't have transit marina people wondering onto private property and doing Lord knows whatever, whatever they do when they get off their boats. The third thing that he has on this, he thinks this was rushed together. He believed if we bring it back in two weeks or a

month, he had no problem working on a change order. But he thinks it needs to be well thought out and well planned and put together the right way.

President Stahl said he was going to vote no after being an advocate for yes, because after listening to everyone tonight, including the developer and everyone, it's obvious that this isn't the right thing to do. So he's going to vote no so everybody knows why. Mr. Kaman said he figured he would be a no. He feels that it should be talked about a little bit more. He hoped he would get invited to one of his (Mr. Stahl) meetings. If you should move it 20 yards west, he feels the sewer problem goes away and there'd be no reworking of the sheet piling. President Stahl said he thinks at the end of the day we were good and the project would be the winner. Thereupon the Clerk called the roll on the motion: Yeas: 0. Nays: Brown, Warner, Waddington, Kaman, Farrar, Stahl, 6. Thereupon the Clerk called the roll on final passage of the Ordinance: Yeas: 0. Nays: Brown, Warner, Waddington, Kaman, Farrar, Stahl, 6. **President Stahl declared the Ordinance failed.**

ITEM #1 - Communication – Michele Hall, Recreation Program Supervisor

BUDGETARY INFORMATION: There is no budgetary impact. These grants require no matching City funds and will be used as partial funding for costs of the projects.

RESOLUTION NO. 004-09R - Approving and ratifying the Grant Applications submitted to the Sandusky/Erie County Community Foundation, First Energy Foundation, H.J. Heinz Company Foundation and the Wightman Wieber Charitable Foundation for the 2009 Summer Event Series and Summer Playground Program for the Recreation Department and, if awarded, authorizing the City Manager to execute any required agreements. It was moved by Mr.

Kaman and seconded by Mrs. Farrar that this Resolution be passed under suspension of the rules in full accordance with Section 14 of the City Charter.

Discussion - Mr. Waddington said in talking to the City Manager today he found out as the Park & Rec. liaison, that most of these events that he had wanted to see will now in fact be at Surf's Up, is that correct? Surf's Up will be open for the whole year so they won't have to worry about this. Wightman Wieber was originally the only event that was going to be held down there. So most of the ones that are on the SES (Sandusky Event Series) have been issued out for special events for the City and the SES will now come back to the Surf's Up Property. But he just wished that they could get the Maritime Big Splash Raffle to come back, but he thinks they already have a contract with someone.

Mr. Kaman said he would like to hear a little bit more about Mr. Waddington's comments because that's the first time hearing that those events would be held back at Surf's Up. When did that transpire, why? Mr. Kline said actually, it's probably been a month ago or more. There's an early event, which we knew would not, that the timeframes would not be met by and the ground would not be broken. And then once that was through, he wanted to say, Mr. Waddington, but he could be mistaken, anyway the second group asked was it possible. So the Toast of Ohio was here that said they would be able to break ground in August. And then Michelle, he guessed she was saying that every event that wants to be held down there this season will be allowed to be held down there. Because it's not likely for all the approval that you need to go through and all the public hearings that you need to go through and all of the timeframes that you need to go through to make your public hearings ten days, 30 day notices and stuff. So there's just no way that there're going to be able to break ground by August.

Mr. Kaman said he guessed that he was going to break one of the rules. He guessed that he was not supposed to talk about the Marina Project, but that was brought up early on about these events. And everybody said no, you got to cancel them and we lost one of the biggest ones, which was the Big Splash. And he just wished again, they would have just looked at it a little harder then. He meant he would have rather had them work a deal with the Sailing Club, keep it somewhere downtown, the Yacht Club, some place other than the Fairgrounds. We shot ourselves in the foot with that one. That brings a lot of money into our City. That's a shame that we just didn't listen to some of the people that were asking that then. Someone said we talked and we met, but that was after the first time of the event. Thereupon the Clerk called the roll on the motion and the vote was as follows: Yeas: Brown, Warner, Waddington, Kaman, Farrar, Stahl, 6. Nays: 0. Thereupon the Clerk called the roll on final passage of the Resolution and the vote was as follows: Yeas: Brown, Warner, Waddington, Kaman, Farrar, Stahl, 6. Nays: 0. President Stahl declared the Resolution passed.

ITEM #2 - Communication – Michele Hall, Recreation Program Supervisor

BUDGETARY INFORMATION: There is no budgetary impact. These grants require no matching City funds and will be used as partial funding for costs of the projects.

RESOLUTION NO. 005-09R - Approving the submission of Grant Applications to the Murray and Murray Foundation, the George Gund Foundation, Petco Foundation, Ohio Eagles Charity Fund, Inc., Sidney Frohman Foundation and the Randolph J. and Estelle M. Dorn Foundation for the Recreation Department and, if awarded, authorizing the City Manager to execute any required agreements. It was moved by Mr. Waddington and seconded by Mr. Kaman that this Resolution be passed under suspension of the rules in full accordance with Section 14 of the City Charter. Thereupon the Clerk called the roll on the motion and the vote was as follows: Yeas: Brown, Warner, Waddington, Kaman, Farrar, Stahl, 6. Nays: 0. Thereupon the Clerk called the roll on final passage of the Resolution and the vote was as follows: Yeas: Brown, Warner, Waddington, Kaman, Farrar, Stahl, 6. Nays: 0. President Stahl declared the Resolution passed.

ITEM #3 - Communication – Jeffrey W. Rosekelly, P.E. Project Engineer

BUDGETARY INFORMATION: The original contract price was \$550,770.33 and the final contract cost is \$581,419.00. The Ohio Public Works Grant funded \$195,340.00 of the project and the private assessment amount is \$100,889.77. The City's portion of the project cost is \$285,189.23. The Water Fund expense is \$65,134.50. The Sewer Fund expense is \$8,776.25. The \$5 License Fee Fund will be \$211,278.48. The final project cost distribution will be calculated for the final assessment legislation.

ORDINANCE NO. 09-011 - Approve the First & Final Change Order for work performed for the Monroe Street Resurfacing Project Phase III in the amount of \$30,648.67 to be paid to Precision Paving, Inc. of Milan, Ohio. It was moved by Mr. Warner and seconded by Mr. Kaman that this Ordinance be passed under suspension of the rules in full accordance with Section 14 of the City Charter.

Discussion – Mr. Warner said he had to agree that he would definitely like to know about these. He don't like change orders, they all know that, and if they were coming, he would like to know about them before they get paid, especially when it is two or three months down the road. So when they ask for these change orders they can at least bring it up to the Commission that we're going to make a change order on such and such job and it will come to you guys at a later date. He don't remember this coming up at a prior meeting. Mrs. McKillips said she believed, and Mr. Kline could correct her if she was wrong and they can do whatever they want however they want to manage the issues as they come up, but normally what they have been doing when they find out that they have a specific line item in our contract, for example the asphalt was one of the items that they added here. They found out they were going to be over. She sent an e-mail to the City Manager and he inserted it into one of his weekly updates to the Commission. It didn't actually come up at a Commission meeting, but when they were following the process that they've been following for quite a while now. And she had talked to Mr. Waddington about the way they do their monthly reports and he requested that she update their project spreadsheet. So maybe that would be easier. Mr. Warner said if they could just bring them up and throw them out in the public, then everybody knows they're going to do it and how they're going to do it may not be a bad idea. Mrs. McKillips said now she can be very specific, because this item was devoted to several items and it involved about 25 line items in the contract. Mr. Warner said he don't think she had to get that specific, just inform them and if they have questions, they can ask her. This one goes back to November or December. Discussion ensued.

Mr. Kaman asked what was the next lowest bid originally? Mrs. McKillips said she didn't have that information with her. Mr. Widman said it was Ed Burdue for less than \$11,000. Thereupon the Clerk called the roll on the motion and the vote was as follows: Yeas: Brown, Warner, Waddington, Kaman, Farrar, Stahl, 6. Nays: 0. Thereupon the Clerk called the roll on final passage of the Ordinance and the vote was as follows: Yeas: Brown, Warner, Waddington, Kaman, Farrar, Stahl, 6. Nays: 0. President Stahl declared the Ordinance passed.

ITEM #4 - Communication – Matt Kline, City Manager

CONSIDERATIONS: Our focus for 2009 will be to maintain a tight reign on expenses and work tirelessly toward increasing our General Fund Revenues. The 2009 year will include a 27th pay period. The following General Fund Executive Summary for 2009 shows:

Beginning Balance as of 1/1/09	\$3,690,562
Estimated Revenues	6,940,623
Estimated Expenditures	17,901,814
Estimated Ending Balance at 12/31/09	2,729,371

ORDINANCE NO. 09-012 - Making General Appropriations for the Fiscal Year 2009. It was moved by Mr. Warner and seconded by Mrs. Farrar that this Ordinance be passed under suspension of the rules in full accordance with Section 14 of the City Charter. **Discussion** – Mr. Kaman said as he stated earlier, he would be voting no because he didn't feel they had enough discussion with all seven Commissioners in the room. He finds it kind of disturbing that for as many Commissioners we have that are "union strong" that we were willing to open up the contracts, but so far he has heard of no cuts or reductions in the non-union people. But he's hearing they're not going to do things like grade ballfields and things like that, directly affecting the union people again, what will they be doing instead of that. There's plenty of work, he knows that, but it just seems like a lot of discussions haven't been taken. He threw out several ideas in executive session on it, but we haven't had any discussions with all seven Commissioners. He hasn't heard enough ideas in his opinion to justify being this far in debt at the end of the year. Mrs. Farrar, since she was sitting right here, she ran on "*I want my City back.*", and nothing against Mrs. Farrar, but he don't really feel comfortable enough on what her plans are. He don't feel enough on Mr. Brown's or Mr. Warner's. He don't feel enough on how they want to change the City, what course are we taking other than spending down our savings? In these economic times he's sorry, but he just feels you need some savings and he just don't feel we had enough time, the seven of them to discuss this budget.

President Stahl said here are his thoughts on the budget and our staffing issues, the very condensed version, absolutely no new taxes on Cedar Point; let's not interfere with our largest customer's way of doing business. No new City income tax. The City has done an excellent job of running its finances. So we have time to reshuffle our staff to best serve our citizens. On February 23rd he said that, "*He believed we would not need staff deduction in the next three or four months.*" He also said, "*It affects people's lives and it affects people's families and that is a bad thing.*" Our budget, which he has always said is a blueprint for our future and can quickly be changed as provided the opportunity to paraphrase Ross Puerot, "*Measure twice, cut once.*" Current economic conditions that are out of our control dictate that we need to make our City operations smaller and more efficient. That trend means the layoffs need to be done within the next three to four months. We need to use the next three to four months as a time to rethink our way of doing business and amend this budget to have a projected year-end cash balance of \$3 million. Our monthly Financial Reports, which are available on line only a few days after the end of each month, which just amazes him, are a useful tool of making these decisions. Working with our unions and our non-union staff to meet these goals is the correct way to operate. To make the call for cuts without a plan would be economically unfeasible and ethically incorrect. So let's go forward and let's pass this budget, and let's also agree that we're going to revise this budget for the blueprint for our future as we decide what it will be in the next three or four months and in July relook at this budget. He talked to Mr. Kline today and he indicated to him that he could not support the budget. He would live with it tonight and he was okay with that, but he had some questions too. And this was a lot of debt to take on going into this year. And he was really worried about revenues in the next three to six months. He hoped the Stimulus Plan worked and he hoped it does something for Ohio, Sandusky, Erie County, but he thinks this is going to be way worse this year. He meant 2009 was going to be a lot worse and we were on a skid and he was really concerned to pass this budget with a debt of almost a million dollars. President Stahl said they talked about these plans and different scenarios and he thinks that these scenarios will evolve that will lower this number significantly. And the only reason they're working to pass the budget tonight is because we have to have a budget. So he believed it is our plan, and Mr. Widman was giving him the signs up, anybody who has been to the Finance Committee meetings or anybody that has spent as much time with this realizes it's not our intention to lose \$900,000. And they (Mr. Waddington) have had that discussion and no way could he live with a \$900,000 expenses over revenues. He believed that a realistic goal with these plans that they're working on with the City, which is measure twice, cut once, should get us back to about a \$3 million surplus. And then we've done a great job, staff has done a great job. We're going to

really think outside the box and do a better job. Mr. Waddington said they are all frustrated over the economy and certainly now is not the time for new taxes for residents or businesses caught in the crunch of the financial nightmare.

Mr. Widman said he just wanted to clarify some of the terms that are being used. When they're talking about a deficit spending that would be a correct term; a couple Commissioners said debt. Just so people don't get confused, we're not borrowing money in this budget that operates. President Stahl said think it through, the City was in bad shape and we had a lot of bad things going on. If we have fiscally the availability to do this, let's do it correctly instead of just laying off people to lay off people. We got to think this thing through. And in the end you're going to lay off people, because you got to make business smaller.

Mr. Warner said he talked to Mr. Kline and he believed he's got a plan. He also knows that you can't make four or five cuts in bodies out there no matter how much you want to save yourself a million dollars. You got to make a lot of cuts in bodies to save a million dollars. If you make a lot of cuts in bodies out there, a lot of you ain't real happy with the services that you're getting right now. You'll get less and you'll like that even less won't you. We're going to do the very best we can with what we have and we intend to still come up with a \$3 million carryover or as close as we can get to it, and we're going to still attempt to provide some of the services that they deserve. If you don't feel you deserve services, let them know. They will cut some if that's what they want. If you don't want services, they can do it, but he believed that they wanted services that they're going to offer. So they'll do the very best that they can to supply it to them.

Mr. Warner said his last comment he wanted to make is that a couple meetings ago they sat right here and their CPA's sat right down there and said you have a revenue problem Sandusky. He believed that there are some City Commissioners on this board that are putting their heads in the sand and not hearing that; they're saying we're having a spending problem. No, we have a revenue problem. Revenues are not coming in. Spending is down from what it has been the last couple years. Every year we're cutting more and more out of the budget. We're not spending money like drunken sailors. We're trying to be good with your money and do the right things.

Mrs. Farrar said she sat here and listened to the CPS's tell us that we did have a revenue problem and they did recommend raising the revenue by tax. We know that's not a big hurra for all of them and they're not going to do that. Cutting services she didn't think that was an option, because she gets enough calls and complaints about services already. Cutting people, frontline people, people out there in the trenches, she's not a fan of that, because that's also going to cut services. We are currently, she meant we just signed a tentative agreement sharing an employee with Erie Metro Parks and that's going to save us \$20,000, but doing more with less and sharing that employee, we'd ask another Supervisor to take over that other employee's department and his. So this gentleman is taking over not only Streets and that, but now he's going to take over the Grounds Maintenance. So she saw us doing more with less there and saving \$20,000. It may not sound like a lot, but it is. Mr. Kline and she spoke and he believed, and she had confidence in him, that through reorganization and working on this and thinking outside the box we will be able to bring this budget in at \$3 million or as close as we can to it. Like Mr. Widman said, we're not working out debt, we're working on a deficit, but that saying about the City Commission and all of the other boards and whatever she has sat on, we've had to have a budget and make those cuts right now. And that's a real rough thing to do, especially when you're talking about affecting lives and your lives as citizens. But with the City's budget, it's a working budget and like Mr. Stahl said we can come back in three months and we can adjust it. These things can be changed and there are things that we can do and she's putting her faith in Mr. Kline and the staff and our employees to help us bring this budget in and she's going to vote yes.

Mr. Brown said he had a problem, we come up with a budget and like we haven't all really came together with what we want Mr. Kline to do. We're saying we have faith in Mr. Kline and he has a plan, but he thinks we have to know this plan. He can't go along with he has the plan and we don't know the plan. We have x-amount of dollars that we got budgeted in and we figure we're going to come up with a figure. Then we ought to have the same thing we're spending, those two have to balance. And for us to say that this working budget, we have to work to make it work and going into it blindly or not without all the information that we need to make a decent decision, he needs to know more about this. How're we going to do it, how're we

going to complete the balances? It's not clear to him on how we're going to make it work. President Stahl said Mr. Brown he believed that they talked about that in executive session after the last meeting, the people that it might affect and the jobs it might affect. He'd prefer not to talk about those in open session, but he believed they did talk about it and anybody can correct him if he was wrong.

Mr. Kaman said he was not for raising taxes, and in the last executive session he asked about where our taxes were compared to all taxes across the board compared to all of the cities comparable to us. He hasn't heard anything. He's not quick to jump on plans. There was a past administrator here, who was even bad about going on about his plan, but we found out that his plan wasn't financially planned out. We're arguing about it tonight for the wrong part of that. So he's not quick to jump on a plan and say he was for Mr. Kline's plan, because he hasn't heard the plan. He'd like to see all seven Commissioners know that plan. To sit here tonight and hope for a budget and say he's for that plan, and the only cut so far under \$900,000 was to not grade ballfields. He don't see how that's going to save us \$900,000, but man he hoped his plan worked. He would really like to discuss it more. When is this budget due Mr. Widman? Mr. Widman said midnight March 31st. Mr. Kaman said so they have one more meeting, we have two more weeks. So he don't see why we're so reluctant to call special meetings, executive sessions, so all seven Commissioners can express their concerns, express their ideas. He don't understand it Matt. Like Mr. Waddington said, you can vote it down, that's fine. President Stahl said he believed that they thoroughly discussed it and if it gets voted down tonight, they would thoroughly discuss it again. But he's very comfortable passing this budget that he thinks at the end of the day was the plan that they discussed in executive session that will affect people's lives, their children, it will create utter chaos in this City Building wondering what it is if they discuss it in public. They'll be standing, the crowd that they'll have will be worst than it was tonight. He will tell them that they have discussed it. He's worked with this budget. They put him in charge of the Finance Committee. He's more sure of this budget than anything that he's ever been sure of. He's comfortable with it. He thinks our Finance Committee, if he's not mistaken, voted 100% that they were behind it, correct Mr. Widman at the last Finance Committee meeting? We were entrusted. They trusted five different CPA's to serve on that board with this. They're comfortable with it. It worked last year. We did well this year in '08. He believed we'll do well in '09. They hired a City Manager, let's let him do his job. It's not our job to micro-manage and he would tell them it's his opinion that they should pass this budget. He disagreed, but... Mr. Kaman interrupted and said he won't agree with him, we never had a plan. He heard ideas thrown out. He's not heard a plan from Mr. Kline and from him (Mr. Stahl). So he didn't hear a plan. President Stahl said well tonight he'll call for an executive session, but they're going to vote on this tonight. And he would tell him that he did agree with him on one thing, as much as he and himself don't agree on a lot of things, he did agree with him on no new taxes. He can take that back to work. No new taxes on Cedar Point. He and himself agree on that right? Mr. Kaman said they need to compare their taxes to other cities so the people and residents know why they're against the new taxes. Are we right in line with everybody else or we're a little bit below, that's the way to be, but he has the feeling that... President Stahl said he believed we are, we are below. Mr. Kaman said you believe, and he believes in a plan.

Mr. Brown said it puzzles him that how this tax thing came up. No one that he knows of was even talking about tax increases. Everybody realistically knew that that wasn't even a possibility that we weren't even going to increase the taxes and they keep throwing that out there. President Stahl said he thinks that was relative to the meeting that they had with revenue enhancements about a month ago.

Mrs. Farrar said in regards to area income taxes, Milan had a half a percent (1/2%) income tax. Pt. Clinton, Bellevue and Norwalk have a one and a half (1 1/2%) percent, but the rest of us are at one (1%) percent in this immediate area.

Mr. Kline said the budget doesn't have to pass tonight. He has spoken with several of them about ideas and they did share ideas with them the last executive session. Part of the discussion and the ideas in the plan was to get it to \$3 million. Tonight is the first that it's actually being expressed to get it up to \$3.69 million. To actually balance the budget, and the discussions he's had with several of the Commissioners to not include any layoffs to Fire and Police, is impossible. So the direction he would need is the number \$3 million, \$3.1 (million), is it \$3.68 (million). If they want a perfectly balanced budget with no new taxes and no cuts in Fire and Police, it will not

happen, cannot happen. About the \$17 million General Fund Budget, \$11 million of that is Fire and Police. So the direction he would like to have for discussion is if you are not comfortable with \$2.7 carryover with us trying to get it to \$3, which we believe we can, then give him the number that you want and those are cuts that we'll need to make as soon as possible. You are correct in that because we make the cuts, the responsibilities do not go away. To be able to balance it, to be able to manage it, you need to be able to transfer those responsibilities to others and then make your cuts in personnel.

Mr. Waddington asked Mr. Widman with our bond rating, how low can we go and then if it gets too low, does that affect us? How low can we safely let this get by if it passes? Mr. Widman said first of all they'll want to look at the budget to look at what you've done. Basically if we hit the bond market in '09, they would know by the results of 2008. So obviously what we do in '09 will eventually be out there as an assessment that we would have to deal with. We talked with the gentleman that assists us with dealing with that process. He's recommending we try to do the best we can in keeping our reserve. A lot depends on when we have to go to the markets for this year, but yea the discussion isn't new, they have talked about this keeping a good number, which has been around \$3 million. But he thinks if you look at our results the last couple of budgets, we were expecting to hit a lower number and we had better results. He believed that's the main thing we should have talked about. We had not approached that. He think what we all trying to say is that he thinks the \$3 million figure is comfortable for the Commission and he thinks that's a comfortable figure also for the bond folks in rating instances. And other commissions have said that everyone is in the same mess, which makes it even more complicated. Some of the folks that were there to assure and offer insurance to the buyers of bonds, did have a lot of problems themselves. So it is a difficult bond market; it's a difficult financial situation. Mr. Waddington said so the estimate, the \$2.729 he got, where is he at with this Ed? He's okay with this here if it drops at the end of the year? Mr. Widman said he believed his office is encouraging the City Manager to make changes he needs to make that number as positive as possible.

President Stahl said make sure to the Commission that he don't say we can't lay off people. He'll look you right in the eye. Make sure you print this Jason (Jason Singer, Sandusky Register Reporter), because the last time he said it, it didn't get printed, they're going to have to lay off people, right? It's inevitable. Then he guessed he was comfortable at \$3 million. If you wanted more and you don't want to lose any money, you're going to have to have some massive layoffs, right Ed? Mr. Widman said the General Fund, like Mr. Kline said it's very heavily Police and Fire. Every year though we have been making cuts in terms of knowing there have been positions, there are a lot of departments that we have fewer bodies; and they went from over 290 employees to 250 employees. That didn't just happen in Water & Sewer Fund. In fact there's probably very little in Water & Sewer. In dealing with the agencies, they're talking about specialties and he was asking difficult questions, sure they would, but they have people that help us in that process. If they try to sell the best things that are going on for the City, he does think our successes in the past have been very helpful.

Mr. Warner said he would not support cutbacks in Police and Fire. You can shut every other department in this City down before you shut those two down. There's no way in the world that these people in this City are going to live with cutbacks in the Police and Fire Departments. We need them more than ever now, which the way the economy is and the world is going around here now. It's going to get worse and you're going to do without those services? No, it's irresponsible, you can't do that.

President Stahl said he thinks the bottom line is, if this gets voted down tonight, it's possible it will. Well let's vote on it and then let's talk about our next thing, because Mr. Kline does ask the right questions. He wants to balance the budget or can you live with \$3 million? Mr. Kaman said Police and Fire always grab the headlines, he mentioned that about a year ago, that's always great that it grabs the headlines. But there were several ideas that were floated out there the last executive session that was not Police and Fire. Some of them were not even people. He got no feedback at all from them. He's just saying \$2.7 he can live with, but he'd like to know what the plan is. But he guessed he can wait, like Mr. Crandall used to say, he guessed he can wait and read it in the paper like he just did Sunday on the Marina Project. So that's fine, let's vote and get it over with. President Stahl said well they did talk about it, because he could tell you the people's names as soon as the

meeting's over with. Mr. Waddington said this \$2.7 he might make a leap of faith here and maybe change his mind from this morning when he talked to him. Monthly reports, not just to Craig Stahl, but all of the Commissioners, he wants if something happens... Mr. Kline interrupted and said everybody gets it now. Mr. Waddington said no, he meant as far as something coming down the road, he would like to know if we're going to be laying people off. That's what he's talking about, not just reports. President Stahl said he certainly wouldn't do something like that without letting them know. Mr. Kline said he would never lay anybody off without going into executive session with a full Commission. Mr. Waddington said okay. And everything up front up and down the whole year. Mr. Kline said absolutely. He believed we can manage this, not just him, he believed we as a team could manage this \$3 million. We're talking about different departments. He's talking about working with the County, regionalizing, not just dispatch and regionalizing ideas, automatic aides for fire departments, but every other service if they look across the board, there is not a department that cannot somehow be managed or worked with another agency or another body in Erie County or the City of Huron.

Mr. Brown said he would like to get a commitment, if we pass this, they're saying three months down the road they're going to readdress this, sit down and see where we're at? President Stahl said yea, we got to put this plan into play that we can't really talk about, but that we have discussed, absolutely this thing has got to be looked at. Mr. Kaman said it was only ideas, it wasn't a plan. Mr. Widman said this is not due for us, he realizes that some of the Commissioners this is new for them, but since 2000 we have been dealing with the declining economy. Yes, this is probably worse, but he thinks we've said this a lot for many years, pass the budget, see how things look each year. If we need to make more adjustments, that's the time to do it. But at that point you start to see how the summer's is going to be. Sometimes when the economy is at its worse, the folks across the bay do some of their best work in terms of revenues for us. People do things that are less expensive. A day at Cedar Point sometimes works out better than going on a trip. Mr. Kline said and remember that last year's budget had a projected deficit of over \$300,000. So if they look at just the expenses, expenses for this year, \$150,000 more than actual expenses last year, and that includes the 27th pay and there's nothing we can do about that 27th pay. Throw it out the window and it's \$235,000 less in expenses than we actually spent in 2008. It's \$235,000 less than what we actually expended in 2008. We have a revenue problem. We do have revenue problems. So we're going to have to make more and drastic cuts in certain departments to try to get this thing to \$3 million. President Stahl said Mr. Brown they were going to meet the first meeting in June. We're going to look at this thing again. We have before us the opportunity to change the way the City of Sandusky operates and if we don't take that opportunity, shame on us. We're sitting here and we got elected by 32,000 people to make these tough decisions. So this budget gives us the opportunity to make the decisions. He urges all the Commissioners to vote for this budget. Thereupon the Clerk called the roll on the motion and the vote was as follows: Yeas: Brown, Warner, Waddington, Farrar, Stahl, 5. Nays: Kaman, 1. Thereupon the Clerk called the roll on final passage of the Ordinance and the vote was as follows: Yeas: Brown, Warner, Waddington, Farrar, Stahl, 5. Nays: Kaman, 1. President Stahl declared the Ordinance passed.

ITEM #5 - Ordered in meeting of February 23rd

ORDINANCE NO. 09-013 - Approving the Emergency Cleanup Work at the G & C Foundry Site, ratifying the award to and execution of the contract with Ed Burdue & Company, LLC. of Sandusky, Ohio. It was moved by Mr. Waddington and seconded by Mr. Warner that this Ordinance be passed under suspension of the rules in full accordance with Section 14 of the City Charter. **Discussion** - Mr. Warner said he was against this ordinance to start with, and after talking to Mr. Kline who really believes that we will be able to get our money back, he supposed he would take a step back and support this now.

Mrs. Farrar said Mr. Ginty brought up about saving the rubble or bricks, etc., is there a plan? Mr. Schell said Mr. Burdue is going to reuse the brick and as much of the concrete that he can on a property that he has not far from there to establish road base and to help him clear that property. The timbers and things like that would go to the landfill. Mr. Kaman said he was of the understanding that some of the timbers would be going to Barnes Nursery and even some of the rock and rubble for reuse. Thereupon the Clerk called the roll on motion and the vote was as follows:

Yeas: Warner, Waddington, Kaman, Farrar, Stahl, 5. Nays: Brown, 1. Thereupon the Clerk called the roll on final passage of the Ordinance and the vote was as follows: Yeas: Warner, Waddington, Kaman, Farrar, Stahl, 5. Nays: Brown, 1. President Stahl declared the Ordinance passed.

ITEM #6 - Communication – Matt Kline, City Manager

BUDGETARY INFORMATION: Proceeds from the sale of the items from the Police Department will be placed into the Police Department's General Trust Account, with the exceptions of the proceeds for the bicycles, which will be placed into the City's General Fund.

ORDINANCE NO. 09-014 - Dispose of Surplus Personal Property and Equipment as having become unnecessary and unfit for City use pursuant to Section 25 of the City Charter. It was moved by Mr. Kaman and seconded by Mr. Waddington that this Ordinance be passed under suspension of the rules in full accordance with Section 14 of the City Charter. Thereupon the Clerk called the roll on the motion and the vote was as follows: Yeas: Brown, Warner, Waddington, Kaman, Farrar, Stahl, 6. Nays: 0. Thereupon the Clerk called the roll on final passage of the Ordinance and the vote was as follows: Yeas: Brown, Warner, Waddington, Kaman, Farrar, Stahl, 6. Nays: 0. President Stahl declared the Ordinance passed.

ITEM #7 - Communication – Michael R. Meinzer, Fire Chief

BUDGETARY INFORMATION: Firelands Regional Medical Center (FRMC) is the sole provider of the contractually required annual testing for firefighters within the City of Sandusky. Having the tests performed within the City allows firefighters to be tested while on duty and therefore, avoids the additional expense of overtime and mileage. In addition, FRMC maintains the firefighter's medical charts and current testing is based upon what each firefighter had tested for in the immediate prior year which means not all firefighters need to have all tests done which will also be a cost savings to the City. The total estimated cost for medical examinations is not to exceed \$38,376.00. The cost for exams are included in the Fire Department's 2009 Budget.

ORDINANCE NO. 09-015 - Expend funds to Firelands Regional Medical Center, Corporate Health Center of Sandusky, Ohio, for Annual Medical Exams and Fit for Duty Testing to be completed for the Sandusky Fire Department in Calendar Year 2009. It was moved by Mr. Kaman and seconded by Mr. Warner that this Ordinance be passed under suspension of the rules in full accordance with Section 14 of the City Charter. **Discussion** – Mr. Warner said he was glad to see that the money we're spending is going to stay here in town.

President Stahl said he would abstain from voting on this so if he has to do work with Firelands Corporate Health. Thereupon the Clerk called the roll on the motion and the vote was as follows: Yeas: Brown, Warner, Waddington, Kaman, Farrar, 5. Nays: 0. Abstain: Stahl, 1. Thereupon the Clerk called the roll on final passage of the Ordinance and the vote was as follows: Yeas: Brown, Warner, Waddington, Kaman, Farrar, 5. Nays: 0. Abstain: Stahl. The Ordinance passed.

ITEM #8 - Communication – Carrie Handy, Chief Planner/Sharon Evanich, Grants Administrator

BUDGETARY INFORMATION: The City of Sandusky will award Volunteers of America \$55,000 to provide homeless prevention services including emergency rental, mortgage and utility assistance to low and moderate income residents in Sandusky under the rules and regulations of the Community Development Block Grant. Emergency rental, mortgage and utility (gas, water and electric) assistance will be provided for a maximum of three months. The maximum assistance is \$1,500 per family. Volunteers of America Northwest Ohio is providing \$182,455 from other local and government program funding sources and \$14,500 of in-kind rent assistance. There is no impact to the City's General Fund.

ORDINANCE NO. 09-016 - Enter into a Subrecipient Agreement with the Volunteers of America Northwest Ohio, substantially in the same form as attached hereto, and to expend funds in an amount not to exceed \$55,000.00 from the FY 2008 Community Development Block Grant. It was moved by Mr. Warner and seconded by Mr. Kaman that this Ordinance be passed under suspension of the rules in full accordance with Section 14 of the City Charter. **Discussion** – Mr. Kaman said on the west side he saw the Volunteers of America at work quite a bit, the shelter out there, and the thing that is really starting to be

noticeable is the families and he supported this. He thought they were going to run out of space soon.

Mr. Warner said he would like Carrie to update them on the meeting they had. Mrs. Handy said just to reiterate the facts, the Shelter is operating at about 150% of capacity. They're putting mats on the floor, their utilities, there certainly is heat out there. They're getting between 200 and 300 calls a week for this type of assistance. So they imagine that this type money is going to get dispensed fairly quickly and they'll probably be looking at a similar pot of money or more in FY 2009 CDBG Budget. So there certainly is a need out there for this assistance. They wanted to keep people in their homes as much as they possibly can. Thereupon the Clerk called the roll on the motion and the vote was as follows: Yeas: Brown, Warner, Waddington, Kaman, Farrar, Stahl, 6. Nays: 0. Thereupon the Clerk called the roll on final passage of the Ordinance and the vote was as follows: Yeas: Brown, Warner, Waddington, Kaman, Farrar, Stahl, 6. Nays: 0. The Ordinance passed.

Item #10 moved up to Item #1

Under the **City Manager's Report**, Mr. Matt Kline said he owed an apology to the community as a whole. **Obviously a few weeks ago he parked in the wrong parking space;** so on behalf of both Susan Porter and himself they apologized. Having said that, he found out that a fine of that nature would be \$260; therefore it's requested that two donations be accepted for the Sandusky Greenhouse ADA Accessibility Improvements Project. **A check from Matt Kline and one from Susan Porter each in the amount of \$260 for a \$520 donation for the Greenhouse. Mr. Kaman said so moved, Mrs. Farrar seconded, motion carried.**

Mr. Kline said requesting **Commission approval for disposal of 94 Brass Hose Couplings from Sandusky Fire Department to be sold for scrap.** The brass is currently purchased for approximately 35 cents a pound; there are approximately 235 pounds. **Mr. Warner said so moved, Mr. Kaman seconded, carried.**

Mr. Kline said a FYI, there was a total of **\$65 in total donations received for the Friends of the Greenhouse Endowment.**

Mr. Kline said items they needed to discuss. The Commission should have received on or near March 4th a copy of a letter from the Maritime Museum. There's a slight mistake of what they're asking for. Our CDBG Program or our Condemned Zoning Teardown Program, how we've been doing it in the past is that we tear down a building and then we put it on the taxes. **And it's being requested by certain, anytime as in the past, if it's been a non-profit organization such as the Maritime Museum, the request was supposed to be if the City would consider going ahead and tearing down the building and not putting it upon the taxes.** So that's what this request is supposed to be about is asking not to have it put on the taxes after it's torn down. But the City Manager does not have that type of authority; only the City Commission has that type of authority. **Mr. Warner said he would make a motion that they do that for the Maritime Museum.** President Stahl said yes, and he talked to Neil Allen about that very thing last week and he had it in his file. **Mrs. Farrar seconded the motion.**

President Stahl asked Mr. Icsman could he vote on an issue with the Maritime, he was a life member of the Maritime Museum? Mr. Icsman asked was he a fiduciary or did he have a... President Stahl interrupted and said he was not a fiduciary and he had never been in a fiduciary position. Mr. Icsman said membership alone is not... President Stahl interrupted and said he was only on the board for a short time and he was elected City Commissioner. Mr. Icsman said it was not a conflict; he can to avoid the appearance of impropriety and not vote if he didn't want to. President Stahl said he believed that the membership alone does not disqualify you.

Mr. Brown asked was this the normal practice of us to do this or were we opening up something that we shouldn't be? Should we take a little more time to consider the normal procedures? Mr. Icsman asked could he mention one thing, he did develop between the last meeting on the G&C, a release, a waiver, so we had the owner with Scott's help to sign a release and claim and a waiver and notice and any objection he might have to filing the lien because tomorrow morning they're going to record that with the Commission passing on that.

Mr. Warner said several times, he's only been on the Commission a short time, he understood that, but since he has been on the Commission it seems like almost every month or every other month there's someone at the podium up there or a private citizen or group of private citizens that ask us to forgive part of their assessments on

their taxes, and we normally do that. He meant we've been pretty soft about that lately. So he agreed for the Maritime Museum, a non-profit organization that asked us to do basically the same thing, why wouldn't they and why wouldn't we as Commissioners approve that? President Stahl asked for discussion from this side of the table. As there was none, **President Stahl asked for a vote on the motion and with all Commissioners voting "Aye", the motion carried.**

Mr. Kline said that brings up the other item that was brought up at the last meeting, which he was asked to bring it up again at this meeting; and that was if they recalled, the **disposition of the assessment that was put on the Fellowship Temple Church.** He asked Carrie to re-explain the situation. Mrs. Handy said the Church, which was on W. Jefferson Street and the parsonage and the parsonage wasn't in real great shape and they decided that they would rather have it demolished rather than do the work and fix the property. So back in 2006 we demolished that as part of our Community Development Block Grant Demolition Program. The cost of that demolition was \$9,600. That assessment was put on the taxes. Members of the church, that's what they say they didn't know it was going to cost that much. They said that they were told at the time that it would probably be about a couple thousand dollars, but it ended up being \$9,600. That assessment didn't show up until the next year so they were unaware of that. Well even the first assessment was part of the bill, which was about \$2,000 and they thought that was the only assessment, but then they got another bill so that's why it was kind of late in coming to the Commission for any kind of action. **But they had requested a couple of meetings ago that the demolition assessment either be partially forgiven down to the \$2,000 or totally forgiven, whatever the Commission had decided.** They actually had not yet gotten back to her about how many years if they (Commission) do decide to do the \$2,000, how many years they want to spread that over, but they can adjust that no problem depending on what, they can go up to 15 years to spread out the payments.

Mr. Brown said he thinks since they went the route with the Maritime with non-profits they might as well do the same thing with the Church. They're non-profit too. **So he would make the motion that they forgive them for the whole amount. Mr. Warner seconded the motion.**

Under **discussion**, Mr. Kaman said hopefully this message will be sent to the employees not to give messages in the field when they're talking to people. Mr. Warner said he agreed. **President Stahl asked for a vote on the motion and with all Commissioners voting "Aye", the motion carried.**

Mr. Kline said for some needed direction, and he had further information for the e-mail that he had put out. After getting e-mail responses back, after further research late this afternoon, **last year was the start of putting out yard waste to a bid instead of the City doing yard waste and we put it out because of the lack of manpower.** FSI was the bidder that got it last year and they picked up the yard waste. This year we did the same thing. We put it out to bid and there was only one participant as the bidder, again that was FSI, which he believed was at the same rate as last year. But we had an addendum to that following what many communities are doing, and that is we added leaves or leaf pickup to the contract or to the bid as well, and we did it for citywide to include everybody. The bid can be broken down in basically one of two ways. It was a bid for those who just sign up for the service, which would include your normal monthly yard waste, but also your leaves; and that bid came in at \$6. And then we did citywide for everybody, for all customers, which would be yard waste and leaf pickup and it was \$5.75 per customer. So they had the idea of what about if we went that route with the leaf pickup, those leaves would not be done the same way as has been done in the past where you just rake them to the curb. FSI would be requiring either a barrel or bag for them to pick up the leaves. So one of them (Commissioner) had the good idea of including a tote. So we called FSI and he got him back those prices this afternoon. If, to make it more manageable for our plans, if we went with the longer contract okay, and in looking around at what many cities have done, it's like a three-year contract. It's really a two-year contract with a one-year option. But he would hold his price for the first two years; and that price including the tote would be \$8.75. So you would get a 90-gallon container for your yard waste and it would say yard waste. So every customer, if we went citywide, every customer would be issued a 90-gallon tote for your leaves, your yard waste, etc. The price for that would be \$3 a customer for that 36 month period, in addition to your pickup. So if your pickup was \$5.75, plus the \$3 for the 90-gallon tote that you

would be issued, so it would be \$8.75 citywide or if we did it just for those who signed up, it would be \$9.00. So that's the research that they've had and they've only had one interested contractor and that's for yard waste and leaves. The reason we did the leaves, following leads of other communities such as Huron, is that our equipment is old and most of the time we have to just pick it up annually. And if the vac truck isn't working or if it is in repair most of the time and we need a new vac truck, and if you take into consideration the eight, nine weeks or more of 10 to 12 men, plus equipment, you're talking about a cost of a \$100,000 or so. And really what that does is the time that it takes us away from street repairs and other work and he thinks everyone can agree that we have a lot of street repairs that we can be focused on this year. He would open it up to discussion.

Mr. Warner asked was there any chance, he had been shot down a half dozen ways to Sunday with putting the bill on everybody's water bill every month for yard waste and leaves, was there any way for say just October, November and December? Those months that we pick up leaves, just do it for \$3 per household for just the times we have to pick up leaves across the City, and then all the rest of the time those that want to pay for the service just pay for the service on a monthly basis? Mr. Kline said he didn't ask that question and he would have to go back. He spreads out that cost with the tote over the three years. He was afraid that with that cost of the tote it's going to be much higher than just \$3. Mr. Warner said even without the tote, if we didn't get the tote, would we have to put it in our own barrels or recycling bags? If we only charged the citizens three months out of the year for what we pick up at \$3 a month, you owe nine bucks on your leaves a year folks. He knows he will get beat up for that too. We have to do something around here. President Stahl said that was a great idea. He had that service with FSI and it was built in on his water bill and you don't even notice it. He went out to Lowe's and bought stencils to use on his old garbage cans and it says yard on it.

Mr. Waddington said Wednesday morning they were meeting again, Mr. Brown and Mr. Warner, and they've been going over the curbside recycling and maybe this was something they should look into for maybe a combination and they meet on the 16th with the haulers again. Mr. Warner said he would love nothing better than to combine the yard waste, leaves and curbside recycling all into one bill. He believed they could do it per household all around for \$10 or less per month for both of them. And he believed that... President Stahl interrupted and said you guys report back at the next meeting.

Mr. Kline said the only thing is, they will probably at least be in a position by the next Commission meeting because our Yard Waste Program starts the first of April. President Stahl said we would order in legislation to do it and then vote on it... Mr. Warner interrupted and said the minimum is voluntary sign up, he thought they should have that. Mr. Kline said he would check on his question about citywide for October, November and December. President Stahl said he tended to think that may be the way they have to have that pick up.

Mr. Kaman said his only questions are we going to be able to opt in and opt out, people we have a high density of rentals in the City, a lot of turnover? How is that going to work? How do other cities do it? What if people don't need it, do they still have to have it? Mr. Kline said we have been able to opt in and opt out in the past. Discussion ensued.

Mr. Kline said just one of the other ideas they're throwing out as options because our Grounds crew is limited to a half a dozen usually people. The idea was open for discussion for some direction. **In the past we have always drew the lines and prepped the ballfields, which takes a lot of manpower and time. Other communities and other leagues have their teams and/or parents that actually prep the fields where the other government entities will mow.** So they're looking for direction from the Commission and if that was something that they would like them to entertain, yes or no, because they were the ones that would be receiving the complaints. President Stahl said they have to make some tough decisions, because they're talking about saving money and not raising taxes. Mrs. Farrar said she guessed she could go either way on that one, but there are times when coaches and parents try to do their own work. If they go that route they have to make sure that they have the materials and equipment available to do them and they would probably have to provide a key to each coach or parent.

President Stahl said how much money is this going to save them? That's the bottom line. Mr. Kline said it was not a savings in money. It was not a monetary

savings; it's a monetary savings of trying to be able to try to get the 250 abandoned lots mowed and plus all the other acreage that we try to maintain. It's to try to get the other things accomplished. Mr. Brown said he had a serious problem on that scenario of cutting back. They've been doing that for years; and they do very little for our kids anyway. So if we got to cut, let's not cut so much on the low end and we got to find other options. He talked to Mr. Kline earlier about that, we got all these vacant properties that we cut. We have been cutting for years and years and years. Why? Get rid of them, sell them. We're not going to ever do anything. We've got properties we've been cutting for 30 years. We could take some of these properties and sell them, and we could buy some equipment to mow the rest of the remaining ones that we have to do. There's a market out there for vacant properties. President Stahl said they should have a yearly auction to get rid of it.

Mr. Waddington said he thought that they had a communication that they were going to get with the leagues and Michelle Hall was to let them know. Mr. Kline said no, they were not going to let them know until he had some clear direction. Right now we still maintain the ballfields. So if they want them to still maintain the ballfields, it's going to be status quo the same as last year.

Mr. Warner said he for one would not want to be haunted by Mr. Seavers (Clarence). He would be wanting to haunt you guys if you don't do this forever. **Mr. Brown moved that they continue to maintain the ballparks around the City. Mr. Warner seconded. President Stahl asked for a vote on the motion and with all Commissioners voting "Aye", the motion passed.**

Mr. Waddington said he thought with the vacant properties they were working with the Land Bank Program. President Stahl said we can't sell them because we don't own them. Mr. Widman said we do have some very small very low value green space, the triangle parks we have all over town. Mrs. Handy said through our Land Banking Program we are targeting those lots that we have been mowing for years and there is a process that takes some time for us to actually acquire. We don't own those lots that we're mowing for the most part. There are a few, like really a few that we actually own and we maintain. So that is a priority with our Land Banking Program through the, if they would want to mow those lots, that would actually be an additional expense right now because City crews have always done it in the past. So if they wanted to contract that out it would be more, but under the Neighborhood Stabilization Program Grant that we're hopefully going to get awarded here in the next month, if we Land Bank those properties, she has put aside additional funds in that budget for mowing of those properties while the City owns them. So we would be able to contract out and hopefully save our crews some money there eventually. And there is more Neighborhood Stabilization money coming down the line that we could put additional funds toward that maintenance of those lots if we still own them. So we're trying to remedy that situation. We did get approval from the State to actually Land Bank vacant lots where there used to be a house. That was not allowed really under the original guidelines, but we lobbied at the state level to get that and they said we could do that. So those vacant lots can go in our Land Bank and we can pay for those costs through the Neighborhood Stabilization Program Grant. So we hoped to take care of those lots here very soon.

Mr. Kline said Mr. Seavers was mentioned and just a reminder that **on March 23rd there would be a dedication of Seavers Way, formerly known as S. Depot Street at 4:00 p.m.** It would be an hour before the next Commission meeting.

Mr. Kline said an **update on the Marina District**, the Marina District Development has continued to follow up on leads that they have received from the Cleveland Boat Show, as well as those they received on their website. They have sent out 50 more marketing packages to interested folks last week. Between the middle of January and beginning of February they've had over 230 visits at their website. For the most part people have gone from their own page to the development page and then the fore page. Another area of focus for the developer has been the hotel development and he has had discussions with three more hotel development companies since that first meeting that they mentioned with Starwood Development in January. The developer is also looking for multiple funding options. One of the ones of keen interest right now are New Market Tax Credits. If they're familiar with the Stimulus Package, they had a significant increase on New Market Tax Credits. He believed the Stimulus Package was \$1.5 billion in initial New Market Tax Credits if he read correctly. And that's something that he has been focused on is doing that. He's also registered the Commodore Building sale with the U.S. Green Building Council Leaf Green System,

which is only the start of a long process. The local businesses that he has contracted with or used thus far in the process is John Hancock for all his civil and survey work, National Labor Signs have printed every sign to date, Loris Printing handled all of their marketing materials, Southern Title of Ohio has done all of the title search escrow third-party reporting, and of course the escrow account in Citizens Bank thus far is put into our local economy to stir our local businesses that he has mentioned, of about \$50,000.

Mr. Kline said and on the City side they did open up the **RFP's for the City Hall Site**. They've made just our initial introduction to both that have put together real proposals. We had four, but two of them were just statements of qualifications, two actual proposals. They've met with both. They might need to form a committee to go over those proposals and start that process. President Stahl said he would be happy to do this the same way as he did the Keller Building Committee. Mr. Kline said they have had several inquiries already of people that would be interested to serving on the committee and he would share all of that with them.

Mr. Kline said they were over **three hours on the tape for the televised Commission meeting**. Mr. Tom Whitted, IT Specialist, said since they were over three hours they would have to make a decision on what they were going to do about replaying this. They have a certain timeframe to deal with on the Cable T.V. and they don't allow them too much time. He may have to split it in two, because he doesn't have any choice.

Mr. Kaman asked could he get a copy of the two City Hall Proposals that we had? Mr. Kline said yes, he would for all.

Mrs. Farrar said when they get ready to do that Marina they are going to bid the Marina out down at the Chesapeake. Mr. Kline said that was really his question that he talked to Mr. Warner about. Mr. Warner said under new business.

Under **Old Business**, Mr. Kaman said the last meeting the **Commissioners approved Shoreline Contractors to remove the pilings (Chesapeake) at no cost to the City**. Since that time Shoreline Contractors have said how they were secured in there and they've decided that they do not want to take them. So just to let the Commission know, because there is no legislation or anything so they don't have to do overtime. President Stahl said they decided that they themselves put them in too good.

President Stahl said he was looking at the thing from the Jiiman and he was still mad at the **people from Ontario, Canada, that had us pay a million dollars out of our City budget some 20 years ago to build that ramp and that Shelter House for the Jiiman**. They need to advertise that and they need to set a deadline for the next 45 days and get that out of there. Mr. Kline said that's being taken care of.

Under **New Business**, Mr. Warner said since this came out very **recently about the City looking to do a marina over there on the Tricor Properties, he's been contacted by three different marina developers who would like an opportunity to bid on that**. They would actually like it if we would send out an RFP and include all three of them along with Mr. Hoty and may the best man and the best plan or whatever commit, did he need a motion? President Stahl asked did they have to order in legislation? Mr. Icsman said for an RFP, no. Mr. Kline said may he ask for direction. They can do it one of two ways; do they just do construction for the transient marina or the one he would recommend or prefer, the construction and management of a transient marina? And quite frankly the State of Ohio had recently done one within the last year or two and they would probably just grab ODNR's RFQ and use a lot of that language in doing it, which was construction rehabilitation and management of a transient marina. **Mr. Warner made the motion to authorize City staff with another RFP for the design, building and operation of a transient marina at the Chesapeake/Tricor Property. It was seconded by Mr. Kaman.** Mr. Brown said just a correction, man or woman. **President Stahl asked the Clerk to call the roll. Therefore the Clerk called the roll and the vote was as follows: Yeas: Brown, Warner, Waddington, Kaman, Farrar, Stahl, 6. Nays: 0. President Stahl declared the motion passed.**

Mr. Warner said he would request an **executive session on Pending Litigation, Sandusky Yacht Club**. Mr. Brown seconded the motion. The Clerk called the roll. Yeas: Brown, Warner, Waddington, Kaman, Farrar, Stahl, 6. Nays: 0. President Stahl declared the motion passed.

Mr. Warner said he would request an **executive session on Pending Litigation, Insurance Company**. Mr. Brown seconded the motion. The Clerk called the roll. Yeas: Brown, Warner, Waddington, Kaman, Farrar, Stahl, 6. Nays: 0. President Stahl declared the motion passed.

Mr. Warner said he would request an **executive session on Personnel, Housing Department**. Mr. Brown seconded the motion. The Clerk called the roll. Yeas: Brown, Warner, Waddington, Kaman, Farrar, Stahl, 6. Nays: 0. President Stahl declared the motion passed.

Mr. Icsman said we did need one more on pending litigation, but he just wanted to clarify that when you talked about pending litigation it is nice and it is transparent to talk about the actual pending. But sometimes the pending litigation is imminent and not actually defiled and so he didn't want them to think that they always have to do that because they do not.

Mr. Warner said he would request an **executive session on Pending Litigation**. Mr. Brown seconded the motion. The Clerk called the roll. Yeas: Brown, Warner, Waddington, Farrar, Stahl, 5. Nays: Kaman, 1. President Stahl declared the motion passed.

Mr. Warner said he would request that the **City Commission get a full update at the beginning of the next meeting from the Haag's on what they're working on**.

Under **Audience Participation**, Mr. Wesley Poole, S. Oldgate Road, commented on the Maritime Museum and waiving the tear down costs on the tax duplicate. He did not understand why they waived this and he didn't have any facts or details on how much and what they were talking about. Mr. Warner gave an explanation. Mr. Poole then spoke on consistency of writing off the Maritime Museum automatically with no questions asked and then with the small church they charged them \$9,000 and then eventually wrote it off. He didn't understand how they did business. The RFP's they sent out for the marina construction and management he didn't have any facts on how big it would be. It was a transient marina and it was a portion of what the original one was talked about at the outset of the Chesapeake Property. They have not determined if there was sufficient revenue to support managing anything and they should know what they expect from it in revenues before they put out for bid the project that they are paying someone else to manage. The waste project would be better understood if they did a presentation with graphics, bags, etc. Mr. Kaman explained the marina was a request for qualifications and that person who replied would design, build and operate. So they would know more and how many slips you needed to be profitable for them to manage it for the City. Discussion ensued.

Mr. Clifton Frisby, 2116 Remington Avenue, questioned if there was an Employee Handbook and could it be made available to employees concerning discrimination or harassment? Mr. Icsman said there is no Employee Handbook, but there is a policy that the City Manager promulgates or the past City managers promulgated that governs some of the employee activities. That project was started years ago, but never completed. Mr. Frisby said so employees would have no way of knowing what those were? Mr. Icsman said those two there were policies and the state acknowledged it and it goes in their file that they received it. And we try to train on it every year if not every other year on those important ones. President Stahl said give Mr. Frisby a policy of whatever he's looking for. Discussion ensued.

Mr. Adam Cottrill, 511 Reese Street, said the City Manager promulgates the policy for discrimination or harassment, but was that policy followed as far as harassment with Kim Nuesse's situation? President Stahl said they can't comment on that in this forum. Mr. Cottrill said he understands that. It just doesn't make a lot of sense to him that a policy that is regulated by the City Manager and then there are allegations made against the City Manager; and then it kind of seems like he can do whatever he wants with that. Mr. Icsman said let him clarify that, what he meant was that the City Managers have the ability to promulgate policy that governs employees. So past City Managers, where he would have this volume of policies (about 5 inches thick) and Administrative Services and the City Manager has copies, a past City Manager as to specifically the Harassment Policy, which was probably ten years old. So the former City Manager would have promulgated that policy and it is in effect if it hasn't been changed. Recently Mr. Kline did a Media Policy. So that's what he meant by City Manager, not necessarily that he promulgates all policies. Mr. Cottrill said he understood, but it just brings it down to the safety of all of our employees, even

against allegations being brought against them it just brings up doubts to his mind. So he encouraged them to get something definitely set in stone in a handbook to protect them from false allegations, but also to protect them if they are wrong.

Mrs. Sharon Johnson, 1139 Fifth Street, said clarification on the Chesapeake Marina plans Mr. Stahl said he just saw revised plans recently last Thursday, who authorized those to be drawn up? President Stahl said he believed Angelo Hoty just did those on his own. Mrs. Johnson asked was that out of our budget? Ms. Tracy Kersten said she understood Engineering produced them and she assumed the City authorized it. Mr. Hagg said they were prepared by Andres Engineering by the request of the City. Mrs. Johnson said if the City requested it, they probably paid for it? Mr. Hagg said he had an e-mail that answered that, but he didn't recall the date. Mrs. McKillips said this January. Mrs. Johnson said it didn't wash with her that these plans just went out in December and a few weeks later these plans were being revised. Discussion ensued on the plans and the bidding process. Mrs. Johnson said Mr. Davis was washing his hands of us and he was moving out of Ohio, was he still going to be the owner of the Chesapeake down there? President Stahl said he owns 35 units. Mr. Kline said the HOA (Home Owners Association has controlling interest. Discussion ensued. Mrs. Johnson said City Hall parking, the two places that are picked out do not have ample parking and Mr. Stahl has said over and over that there would be no additional costs. The stores on Columbus Avenue will be additional costs, because you're looking at paying rental on those remodeled buildings, because the guy is not selling it to us. They were going to see rental for the parking in the County Garage. Discussion ensued. Mrs. Johnson said they need to have a work session all day and hammer out the details on the budget.

Mr. Bob Zoellner, 1401 Ogontz Street, said on the budget you need a plan to know what to do down the road, and you can't wait until June and you should use the calendar year. The Nuesse situation when it is finally done could be real costly and they didn't have a dollar figure. City Hall could be millions of dollars and originally it wasn't supposed to cost us anything. President Stahl said there was to be no additional cost over remodeling of this facility. Mr. Zoellner said all they were asking was make the plan so they would know what they're doing. Discussion ensued.

Mr. Jason Singer, Sandusky Register Reporter, questioned the way BORMA insurance worked; the Nuesse hearing case costs, bills for the City's attorney, premiums and coverage or non-coverage.

Mr. Barry Riddle, Fifth Street, said when he was involved in baseball that the team coaches or members would volunteer to cut grass, empty trash and grade fields.

Mr. Tim Schwanger commented on the website and Mr. Eymann and of the 250 hits most of the 249 were from him. On the leaves and yard waste proposals would all funds go to the haulers? Mr. Kline said all to the haulers. And the \$100,000 from MidStates was that to sever ties? President Stahl said yes. Mr. Schwanger asked since the G&C Foundry were they being proactive in the future to make sure we don't have that problem again? Mrs. McKillips said there were certain things you had to provide today like site plans, what they're demolishing, lot size, etc. Mr. Schwanger asked were we charging people a \$100 an hour to cut grass? Mrs. Handy said no, because they're not paying their taxes.

Ms. Lauren Berlekamp, 2360 Cleveland Road, said for those not interested in paying for yard waste disposal, they would educate people on how to compost to use for their yard or garden.

At 9:00 p.m. President Stahl stated that they would take a break and return for executive sessions. At 9:05 p.m. the City Commission returned to the table.

An executive session was held on Pending Litigation, Sandusky Yacht Club.

An executive session was held on Pending Litigation, Insurance Company.

An executive session was held on Personnel Housing Department.

An executive session was held on Pending Litigation.

President Stahl returned to the table and entertained motions for adjournment.

ATTEST:

B. JOYCE BROWN
CLERK OF THE CITY COMMISSION

CRAIG H. STAHL, PRESIDENT
SANDUSKY CITY COMMISSION