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NORTH CANTON CITY COUNCIL MEETING

MAY 3, 2004

7:15 P.M.

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North Canton City Council Meeting, held at the North
Canton Civic Center, 845 West Maple Street, North
Canton, Ohio.

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PRESENT:

- Jon Snyder, President
- Greg Sarbach, Council Member
- Daniel J. Peters, Council Member
- Doug Lane, Council Member
- Marcia Kiesling, Council Member
- Dave Lindower, Council Member
- Paul J. Pusateri, Law Director
- Julie Herr, Finance Director
- Michael Miller, Administrator
- Tom Rice, Mayor
- Jim Benekos, City Engineer
- Mary Louise Bittle, Clerk

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1 MR. SNYDER: I'd like to call the council
2 meeting of Monday, May the 3rd, 2004, to order.

3 First thing on the agenda is Community and
4 Economic Development Chairperson Marcia Kiesling.

5 MS. KIESLING: All right. This is just
6 something we need to clean up. A couple weeks ago we
7 passed Ordinance 56-04 regarding the CRA and we felt
8 as if we were amending the original CRA and found out
9 through the state that's not process. We need to
10 first of all formulate a brand-new CRA. So we
11 formulated a CRA last week and we need to repeal the
12 original ordinances we passed to amend the CRA we
13 passed many, many years ago.

14 MR. SARBACH: That keeps us from hearing the
15 first one.

16 MS. KIESLING: That we've done nothing to,
17 and Valleyview is one we passed last week. I assume
18 we can pass this on emergency. Either way, we can
19 put it on for next week. That's it.

20 MR. SNYDER: Thank you, Mrs. Kiesling. Next
21 on the agenda is Ordinance, Rules & Claims Chairman
22 Peters.

23 MR. PETERS: Thanks, Jon. This is in regards
24 to Fairways just basically notifying us whether we
25 want a public hearing on this. And I guess I'll give

1 it to my committee.

2 MR. SARBACH: This is the alcohol?

3 MR. PUSATERI: This is what was voted and was
4 passed. This is one transcript from one entity to
5 the next. Council has an opportunity to have the
6 hearing but I would recommend -- it's a hearing. The
7 only thing you can do is you have to find it
8 substantially and adversely affects or interferes
9 with the neighborhood and area by transferring the
10 liquor license from one entity to the next. I don't
11 see how that can be done.

12 MR. SARBACH: I believe in the past the state
13 offers us this opportunity every 12 months if a
14 problem arises that we can take some action and at
15 least get their attention to correct the problem, and
16 to my knowledge, there's been no problems. I've
17 heard none from the administration or the police
18 department, so I see no reason why we should have a
19 hearing and I would not be in favor of that. I think
20 no action is our best action for the situation.

21 MR. PETERS: I would agree. Doug, do you
22 have any?

23 MR. LANE: No. My question with El Rincon,
24 are we going to have to do anything with that, Paul?

25 MR. PUSATERI: I don't believe. That's a

1 transfer liquor license from one entity to next.

2 MR. LANE: This is serving. This isn't
3 something we could combine and do two things at once?
4 Then I have no problem.

5 MR. PETERS: I guess we're not going to
6 request a hearing so --

7 MR. SNYDER: No problem. Thank you, Chairman
8 Peters.

9 Personnel and Safety Chairman Lindower.

10 MR. LINDOWER: Yes. We've got a policy in
11 sexual harassment and harassment update for the city.
12 It's included in the packet. I read it over.
13 Currently there is a policy in place; however,
14 it's -- with litigation like they are today and
15 sensitivity of some people, it's been upgraded at the
16 recommendation of our insurance carrier. I would
17 move that we go ahead and put this on agenda for next
18 week. If we could put it on an emergency so we could
19 get done so it could get into the policy manual for
20 the city.

21 Dan, did you have any question then?

22 MR. PETERS: No.

23 MS. KIESLING: So what's in our packet is the
24 new one?

25 MR. LINDOWER: The old one and the new one.

1 MR. MILLER: The old one is there for
2 reference. The one is policy on sexual harassment.
3 Harassment, that's five pages. That's the new one.

4 MS. KIESLING: That's fine with me.

5 MR. SNYDER: Chairman Lindower, your
6 intention is to place that five pages in the actual
7 employee handbook?

8 MR. LINDOWER: I think the city has a policy
9 and procedure manual. Is that included in the
10 employee handbook?

11 MR. MILLER: It hasn't been up to this point.
12 I think -- I don't think it was a resolution from
13 '99. I can double check with Mary Louise, but my
14 understanding is that it was not in, it was a
15 separate thing. We should go ahead and put it in the
16 employee handbook and publish it.

17 MR. LINDOWER: The same with all policies and
18 policy changes, each and every employee will receive
19 a copy of that.

20 MR. MILLER: Yes.

21 MR. SNYDER: Thank you, sir. Yes. That's
22 all my questions.

23 MR. LINDOWER: Item B is a request for
24 special projects inspector, which is a part-time job.
25 I'm a little bit miffed every once in a blue moon

1 when something all of a sudden pops up on agenda,
2 especially a request like this. In view of the fact
3 that even though there is a special projects
4 inspector job description included here, I would like
5 to have a little more information on that, if we
6 could, from Mr. Benekos as far as the potential or
7 possibility of using somebody who is already
8 currently employed either in the engineering
9 department or possibly one of the other departments
10 that could possibly fulfill that job at least for
11 this year.

12 The reason I say that is I'm under the
13 impression that I've been told by some of the
14 department heads that later on this year there's
15 probably going to be request for additional funding
16 in payroll in view of the fact that the contract
17 negotiations didn't fare out quite as well as what
18 was suspected when the budget was planned and there's
19 quite a bit more overtime I guess that's being used
20 that due to the contract language I think is going to
21 throw a little bit of a burden on the budget, so if I
22 could, I personally would like to table this for this
23 meeting at least until we could gain some more
24 information on it.

25 Dan, did you have any issue with that?

1 MR. PETERS: No, I agree with you, Dave.
2 Whatever puts you in a comfort zone.

3 MR. LINDOWER: I don't think at this
4 particular point in time we're in emergency situation
5 here where the city is going to stop if we don't
6 fulfill that situation, but I would like to have some
7 more on that.

8 Marcia, do you have any?

9 MS. KIESLING: A lot of questions, but I'd
10 like Jim here to answer them so I would be fine.

11 MR. LINDOWER: Any other questions from
12 council?

13 MR. LANE: My question is there's no pay rate
14 attached to that.

15 MR. SNYDER: I believe I asked that question.
16 In the actual contract I think that wage rate is
17 about 16.40 an hour. And that would stay under the
18 thousand hours of part time so it's probably 16, 17.

19 MS. HERR: However, I will tell you, Chairman
20 Lindower and the committee, I believe there's money
21 in that engineer's budget for an intern and I don't
22 know if that's what you're requesting to use.

23 MR. MILLER: No, that's a separate issue.
24 That one is something that was done last year. It
25 was done out of his budget, a very small amount of

1 out of his budget. This is a separate issue. One of
2 the things that a couple of the councilpeople have
3 expressed to me and to Jim is that they're frustrated
4 with projects that start late in the year and don't
5 get done and are open all winter, and we felt that
6 this might be a way to help alleviate part of that
7 problem to make sure that the projects were inspected
8 and go forth a little bit quicker. But again, that's
9 something that both Jim and I can sit down with the
10 chairman and anybody else on council and explain a
11 little bit later. If they want more information,
12 that would be fine.

13 MR. SNYDER: That would be fine, Dave. I
14 hear what you're saying, Mr. Miller, but I feel
15 whoever the department head is that's responsible for
16 that particular project should be responsible for the
17 speed of that project. I'm assuming that this
18 probably isn't going to be projects being done by
19 engineering only. It could be possibly the water
20 department, street department or someone with
21 projects that they're working on. For instance, if
22 you're doing some pipe work, water department's doing
23 in-house work or something, that type of a project,
24 somebody, the department head's actually responsible
25 for that type of issue, isn't he?

1 MR. MILLER: The department head is
2 ultimately responsible, you're absolutely right, but
3 what we're again looking at is during the year,
4 during the six months in the wintertime this
5 obviously is not a position that needs to be filled.
6 In the summertime when you go out to bid for multiple
7 projects and you're trying to make sure they're done
8 right and nobody is trying to cut corners on you as
9 far as the projects is concerned, that's when we want
10 an extra set of eyes out there to help. And that's
11 where Jim is going with this. And again, if it makes
12 you feel more comfortable, more than happy to meet
13 with you and Jim Benekos at some point in the next
14 couple weeks and go over it, put you a little bit
15 more better idea what we're looking at with this.

16 MR. LINDOWER: Again, I'd like to say I'm not
17 against having somebody in there to do this and this
18 is not that large of an amount, but the way you just
19 stated it, we don't approve each and every person who
20 is hired for summer help with the other departments.
21 I think that's in the budget already as summer help.
22 I would rather see something like that being done
23 there rather than create a new position.

24 MR. MILLER: This basically is summer help.
25 The problem is that there's not a summer help slot

1 out there in the engineering department as there is
2 for Dogwood Pool or for parks and rec or somewhere
3 like that. Basically that's what this is, it's a
4 summer position that's a position that will be filled
5 with somebody with a lot more experience than what we
6 have with the normal college student that comes back
7 and works in parks and rec or street department or
8 something like that. In essence, that's hit it right
9 on the head. We're looking to create a summer slot
10 that will be filled for four or five months during
11 the summer, max, and then the position or when the
12 work is back to the point where it's manageable and
13 the construction season slows down a little bit then
14 do away with that person and lay them off, so to
15 speak.

16 MR. FOLTZ: Director Miller, what was the
17 price? The hourly rate was 16, you said 16.40?

18 MR. SNYDER: 16.40, I believe it was.

19 MR. FOLTZ: I think Chairman Lindower raises
20 good questions, but also we need to look at, I did
21 some quick figures. At \$17 an hour for 16, 17
22 thousand dollars over six months, you know, to be
23 open minded, if it's something that somebody is
24 staying on top of projects as Mike alluded to
25 earlier, my frustration is we all want things done in

1 the city for constituents, but when they don't get
2 done and drag over a year and going through the
3 winter process it's kind of self-defeating as far as
4 the aggravation level. So you're not paying wages
5 for benefits there, it's just a salary at that point.
6 For instance -- I should say and benefits, just
7 salary, so that's something to consider but, you
8 know, I think Dave is asking good questions here,
9 Lindower, and maybe get a better handle on what
10 administration is trying to do with the position so I
11 understand those concerns.

12 MR. LINDOWER: I'd like to discuss a little
13 more with you and Jim. After what Mr. Foltz said,
14 we're not going to hold part-time project inspector
15 responsible if in fact the projects don't move along.
16 As a part-time employee, it's all going to fall back
17 on the department head he's responsible to, so I'd
18 like to see if it's possible to work around that some
19 other way and talk about that. So if I could, I'd
20 request we table that for tonight.

21 MR. SNYDER: Very good. That will remain
22 tabled, Chairman Lindower, until you're prepared to
23 bring it out again.

24 Street and Alley Committee Chairman Doug
25 Lane.

1 MR. LANE: You have a list in front of you.
2 In February shortly after Mike came on board, Mike
3 asked us all to submit a list of streets not for
4 total rehab but just for some quick surface work.
5 Most of these are short. Some of mine are a block,
6 block and a half long, things along those lines. He
7 took the request, put them together, got together
8 with Jim and came up with the list you see in front
9 of you.

10 A couple of them, 50th Street, for instance,
11 two-thirds of 50th Street is in Canton, a third is in
12 North Canton, roughly, so we have to coordinate with
13 Canton or it's not going to happen. We're trying our
14 best to get something happening because I don't think
15 anything's been done on that for a long time.

16 Summit Street, that's part of another budget
17 for waterline, so, or that was already planned. So
18 the other ones are relatively new. Obviously we
19 would like to get started on this and get some things
20 done, and Mike, we could add to this list; correct?

21 MR. MILLER: We can't add a lot. Right now
22 we have a budget of \$250,000. When we go out to bid
23 we'll have a better idea of what can be added and not
24 added. There's a bubble street on there in the
25 valley. That one could be bumped to something else,

1 ends up being a higher priority as far as council is
2 concerned. This is a mix of what council submitted,
3 what the engineering department went out and
4 physically viewed along with the street department,
5 and I've also gone out and viewed the streets to
6 determine which are the worst, and what you see
7 before you on the list tonight is what has been
8 determined to be the worst streets out there.

9 There's one that was requested that's not on
10 there because we're looking at it to make sure, see
11 whether or not it can be done in a more global
12 fashion, and that is with storm sewer waterlines, et
13 cetera, rather than just being paved this year and
14 then not having all that other stuff done because
15 it's been paved and we want to wait eight or ten
16 years to do all that because we don't want to tear up
17 new pavement. So this is the list we've arrived at
18 at this point in time.

19 MR. LANE: Again, it's not total rehab on the
20 streets, it's really a patch job.

21 MR. MILLER: More paving, if that's
22 appropriate.

23 MR. SNYDER: Chairman Lane, again the
24 question, I believe we reduced that budget by 25,000.
25 We used part of that for Main Street signalization

1 study. Did we not reduce that budget? Did we take
2 \$25,000?

3 MS. HERR: Not from this, no.

4 MR. SNYDER: I'm sorry. I misunderstood
5 that. So it still is 250,000. Thank you.

6 MR. LANE: If we can get that going next
7 week, pass it on emergency, get the bids out and see
8 exactly where we're at.

9 MR. SNYDER: Thank you very much. Water,
10 Sewer and Rubbish Chairman Sarbach.

11 MR. SARBACH: Gaslight Sewer Assessment, we
12 had our report from our three-person committee on the
13 assessment. I believe we can proceed with that as
14 the law director's rule that once that committee has
15 reviewed that assessment policy in practice that we
16 can proceed with that. Is that what we are
17 discussing tonight then?

18 MR. PUSATERI: I'm sorry, I'm not hearing you
19 correctly. We're back here.

20 MR. SARBACH: The Gaslight Sanitary Sewer
21 Assessment. The board has reviewed that and said
22 everything was in order.

23 MR. PUSATERI: That's right.

24 MR. SARBACH: So the next step is to proceed
25 with those assessments, is that correct, for that

1 sewer?

2 MR. SNYDER: The actual legislation to assess
3 them would be prepared by Squires Sanders. We as
4 council have to act that we did originally authorize
5 the assessment and in fact we did form and carry out
6 our requirements to form a forum to allow people to
7 speak that it would in due effect and we have to
8 accept that at a council meeting. Those minutes,
9 along with an ordinance authorizing, will be
10 forwarded to Squires for the preparation of the
11 actual assessment. I think I believe it to be a
12 20-year assessment on their property for roughly
13 \$8,000 per household depending on the front feet.

14 MR. SARBACH: So we have the required
15 ordinance accepting?

16 MR. SNYDER: We already approved the actual
17 assessment in the council meeting. Now we have to
18 approve the assessments meeting that they had, and
19 that would be done next Monday, and then those
20 together would be sent to the actual Squires Sanders,
21 who are counsel relative to assessment. This is the
22 first assessment the city has done in about 24 or 25
23 years.

24 MR. SARBACH: So we're accepting an ordinance
25 accepting the board's review.

1 MR. SNYDER: That's part of the requirement
2 that we do in fact give them time to come before the
3 board and state the fact that whether they do in fact
4 want or do not want the assessment. If they could
5 prove with some degree of reality why it should not
6 be done, that board had the ability to rule. As you
7 noticed in the minutes, all the requirements were
8 satisfied.

9 MR. SARBACH: Is there any reason we should
10 have this on emergency or not have it on emergency
11 based on we're just accepting their report?

12 MR. SNYDER: Mr. Sarbach, I can't answer that
13 honestly, sir. I would say possibly leave that open
14 to check with Engineer Benekos.

15 MR. MR. SARBACH: I don't see a cause.

16 MR. SNYDER: I believe it's scheduled for
17 this construction season.

18 MS. HERR: Yes, it is.

19 MR. SNYDER: So time is of the essence at
20 this point. That's a major project, several million
21 dollars, so they would like to finish it in time they
22 can catch the growing season to replace all the
23 damage that they do to those yards, I'm sure.

24 MR. SARBACH: I put them on emergency. Since
25 it's been 26 years I hope we don't make a habit of

1 this. It is a necessary evil.

2 MR. SNYDER: For the Record, it is an actual
3 request to the administration by those property
4 owners. When they were annexed into the city their
5 request was to have a sanitary sewer and it was told
6 at that time under Mayor Revoldt's administration
7 they would in fact have to pay for it and they seem
8 to have shouldered that.

9 MR. LANE: That's going to be -- obviously it
10 affects my ward and these people are going to call
11 me, so this is still scheduled to be constructed this
12 year if all, everything falls into place?

13 MR. MILLER: If all the legislation goes and
14 bids go out, yes, it is scheduled to be started this
15 year.

16 MR. LANE: You're going to make a lot of
17 people very happy.

18 MS. KIESLING: Yes, very much so.

19 MR. SARBACH: Item B is well waterline
20 easements, and there are two of these on here. I
21 think I will turn this over to your water expert,
22 Mike Miller, so I don't confuse the two. This is the
23 Item B for the easements.

24 MR. MILLER: These are easements that are
25 associated with the East Maple well waterline

1 project. There's a couple out actually by Marquardt,
2 there's a number of them that go from approximately
3 the Zimber Ditch out to where our well waterline goes
4 north to the plant either on Promway or along the
5 railroad tracks. So associated with that project we
6 need to acquire those easements. That's what we're
7 asking council to do is allow us to acquire those
8 easements on that project.

9 MR. SARBACH: You want that on emergency, I
10 presume.

11 MR. MILLER: Yes.

12 MR. SARBACH: Any comments?

13 MR. SNYDER: That's fine.

14 MR. SARBACH: Put it on emergency for next
15 week.

16 Next, Item C is East Mayfield well waterline
17 project. East Maple.

18 MR. MILLER: The bids are in. As you can
19 see, the bids came in more than what was originally
20 allocated so we're asking council to increase the
21 allocation and put a little bit in there to cover,
22 and as we venture out we might find the project, the
23 low bid came, it was 1,333,000. We were asking
24 1,350,000 to cover any change orders that might come
25 up with the project while we're out there.

1 MR. SARBACH: What change orders are you
2 anticipating?

3 MR. MILLER: We're not anticipating any. Not
4 anticipating doesn't mean they don't come up on the
5 project, and building a project of this magnitude
6 inevitably something comes up in digging, especially
7 in an older area of town, which we're going through a
8 couple of those where you come across something
9 that's not on the charts, not on the maps, some type
10 of item that you exceeded because of the ground can't
11 be reused for fill, so that's basically what we're
12 trying to make sure we cover. We don't want to come
13 back to council twice. We want to be able to make
14 sure we got ourselves covered here and get it done.

15 MR. SARBACH: We're crossing several sanitary
16 laterals. We have to be so far from them and certain
17 types of fills.

18 MR. MILLER: Something happens that one of
19 those gets crushed or something happens, we find
20 something that's wrong with those, we want to be able
21 to fix those at that time.

22 MR. SARBACH: Committee? Jon, do you have
23 any?

24 MR. SNYDER: No, I don't. I do have some
25 numbers that I've constructed over the weekend. If

1 it's all right with you I'll defer until it gets to
2 finance, it's more appropriate at that point, but no,
3 I don't have any problem.

4 MS. KIESLING: I have a question. Who was
5 the low bid? I couldn't remember.

6 MR. MILLER: Let me check. See if I've got
7 my board of control minutes here. I think it's
8 Superior.

9 MS. KIESLING: Superior, okay. Where are we
10 pulling this extra 225 from?

11 MS. HERR: It's borrowed money so --

12 MS. KIESLING: That's right. It doesn't
13 matter. Borrow it or not, it's ours.

14 MS. HERR: If council is okay with this and
15 the additional amount, I'm placing it on having next
16 Monday the legislation ready for borrowing.

17 MS. KIESLING: From Squires?

18 MS. HERR: From Squires. So that will be in
19 conjunction with this request right here.

20 MR. MILLER: I can't confirm Superior. I
21 don't have it on tonight's.

22 MS. KIESLING: It's not Wenger?

23 MS. HERR: It was not Wenger, that's right.

24 MR. MILLER: It is not. They were third or
25 fourth, if I recall correctly.

1 MR. SARBACH: Doug, did you have a comment on
2 it?

3 MR. FOLTZ: No. Let's move forward on it.

4 MR. SARBACH: Gaslight/Edgewood sanitary
5 sewer extension.

6 MR. MILLER: We have five easements
7 associated with the Gaslight/Edgewood sanitary sewer
8 project. We're asking council to authorize the
9 acceptance of those five easements.

10 MR. SARBACH: Would you like that on
11 emergency?

12 MR. MILLER: Yes.

13 MR. SARBACH: Jon, do you have a comment?

14 MR. SNYDER: No, that's fine, Chairman.

15 MR. SARBACH: Doug?

16 MR. FOLTZ: No comment.

17 MR. SARBACH: Okay. We'll have that on for
18 an emergency next week. I'm writing as fast I can.

19 Item E is the Chestnut Ridge waterline
20 extension. This is an outside the city. Mike,
21 you're doing so well I'll just let you go.

22 MR. MILLER: This is a request for a private
23 developer to extend our waterlines at the end of the
24 year period of time. We've become owners of those
25 waterlines, we get the customers and we get them at

1 the outside rate. You'll have in your packet
2 basically the proposal for waterline extension
3 request that's on our form and it's pretty much
4 self-explanatory. We're going to be adding, if I
5 recall correctly, somewhere in the neighborhood of a
6 half a mile of waterline and approximately 33
7 customers.

8 MR. SARBACH: 33 customers you assume or
9 potential?

10 MR. MILLER: Potential. They won't be our
11 customers. If we extend the waterline they will be
12 our customers.

13 MR. SARBACH: Jon, do you have any comment?

14 MR. SNYDER: No. I believe most of the cost
15 is borne by the construction so, I mean, it's to our
16 advantage.

17 MR. SARBACH: The problem is will we be able
18 to supply the water to it, and it appears that will
19 happen. We'll be able to supply those customers and
20 many more.

21 MS. KIESLING: That's 13,000, approximately,
22 gallons a day and that shouldn't be a problem. That
23 should be on line with the new treatment plant next
24 year.

25 MR. MILLER: We have that capacity at this

1 point. 13,000 gallons per day, yes.

2 MS. KIESLING: Okay. All right.

3 MR. SARBACH: Okay. F is discussion only,
4 continued discussion of the sewer rates. We had an
5 ordinance at one time that would allow us to pass on
6 this outside rates and somehow they got waylaid.
7 Julie has a plan here. Do you have the plan? The
8 plan you would like to use to get the sewer rates up
9 based on any discussions with the law director.
10 Could you, would you like to explain that, please.

11 MS. HERR: I'm sorry. It's hard to hear.

12 MR. OSBORNE: We can't hear out here either.
13 Can you use the microphone?

14 MS. HERR: As far as the sewer rates go, I'm
15 looking at, again, to catch us up to where we've lost
16 over the past few years and also to factor in that
17 there's going to be more sewer projects, more sewer
18 spot repairs, and in conjunction with the new
19 sanitary sewer modeling that's currently in process
20 as well as the new TV camera that we have, there's
21 just more and more sewer problems that are going to
22 be arising. And to be prepared for that and to keep
23 from raiding the general fund into paying for these
24 projects, I would propose going to a flat rate, keep
25 the flat rate structure for residential at \$17 for

1 this year and then increase it to \$18 in 2005 and \$19
2 in 2006. That's still below what the county is
3 currently charging now if you want to give it a
4 comparison.

5 MS. KIESLING: What are they currently
6 charging?

7 MR. PETERS: 19.

8 MS. KIESLING: They are currently charging 19
9 now and we want to go to 17.

10 MS. HERR: 17. 19 is what they're charging
11 their customer. That's not what they're charging us.

12 MS. KIESLING: What are they charging us?

13 MS. HERR: It's up to \$13.

14 MR. SNYDER: 13.75.

15 MS. HERR: Pardon?

16 MR. SNYDER: 13.75, I think.

17 MR. SARBACH: And the balance is used for
18 maintenance of the system.

19 MS. HERR: And also to pay for replacement
20 and repairs and so forth.

21 MR. SARBACH: We don't need an ordinance for
22 you to do this, do we?

23 MS. HERR: Yes, we do if we want to -- what
24 we had discussed before, we could just pass on the
25 1.42 increase without council legislation, but I am

1 proposing that we scrap that and go with the new
2 three-year proposal which would require legislation.

3 MR. SARBACH: When would the first rate take
4 effect?

5 MS. HERR: Well, it depends when.

6 MR. SARBACH: How fast --

7 MS. HERR: How council wants to pass it. If
8 they want to pass with the full three readings then
9 it's just going to be delayed more.

10 MR. SARBACH: It's definitely needed.

11 MR. SNYDER: Chairman Sarbach, I notice that
12 the last two increases I believe in '95 and in 1997
13 were both in excess of 50 percent increases. At
14 present, at the 13.75 we're charging, charging \$15, I
15 think that we should raise the balance of '04
16 presently, go to -- immediately go to 17, 18 and 19
17 dollars. I mean, and that's really, sometimes we
18 think through our own wallet and it's really not
19 practical.

20 As I will cover in my segment coming up, we
21 do need the money. We all have challenges in our
22 ward, and even at 18 or 19 dollars per resident it
23 does not allow us a lot for capital projects. We
24 have to factor the cost of our employees, and each
25 time we're giving them this past three and a half,

1 three and a half, three and a half, and these are all
2 costs that gradually build up. Every increase cannot
3 be 50 percent to the resident. However, if we do it
4 gradually, and you're talking roughly totally over a
5 three-year period something like 38 percent, which
6 the last percentage passed us by the county was about
7 11 1/2 percent and it won't be the last before the
8 2006 budget comes out for them, I assure you. Their
9 costs increase.

10 Equipment, we spent a lot of money just on
11 that camera truck, and again they have identified, I
12 noticed you've seen we have more claims coming
13 through because of the system. Our system is very
14 antiquated. There are many places with the model
15 equipment we have, as sophisticated as it is they're
16 going to cover many areas in our city that are our
17 responsibility to repair. We can no longer subsidize
18 water and sewer from the general fund and I'll show
19 you that it just isn't there and it won't be there.
20 It is a user fee system. That's the way it is. And,
21 you know, I'm not advocating gouging, and sewer rates
22 are covered by the homestead, as are water rates. I
23 believe it has to be a fair and equitable rate. That
24 was what I would propose. I would defer to my
25 colleague, Mr. Foltz.

1 MR. FOLTZ: I guess we just missed out when
2 we had an ordinance that basically was in line with
3 the county's charges to us. We just didn't enforce
4 it, put that additional money the last what, three or
5 four years. So I think because that happened that
6 maybe did put us behind and, you know, fees that we
7 could use for our infrastructure.

8 I'm still going to mull this over. I
9 understand the premise, Jon; you make a lot of good
10 points. Most I'm also sensitive to the fact that
11 we've greatly increased our rates. I think before we
12 tied down the \$15 a lot of our residents paid
13 whatever they used in water, you know, so if you use
14 4,000 gallons you pay the same amount in sewer. And
15 we got to the point in council, at least I think when
16 I was on council at the time that we didn't think
17 that was fair because we were charged the 13.75 or
18 whatever it was from the county at that time and we
19 were basically subsidizing eight, nine dollars a
20 customer in some cases. So I haven't made my mind up
21 on this I guess is what I'm saying.

22 I understand we need to do infrastructure.
23 We hear it every couple years from Mr. Fanzo, who has
24 serious problems there. We tell him we're waiting on
25 the sewer study, which we are, but I guess we're

1 going to have to have money to pay for these sewer
2 infrastructure projects when we see what the study
3 presents to us. I mean, that's a given. Maybe it
4 can't be the two, three hundred thousand dollars we
5 spent on all the street projects, so with that in
6 mind, I would be more willing to support that if we
7 had an outline exactly what streets are in the
8 future, how we could better address our
9 infrastructure for our residents that have flooding
10 problems.

11 MR. LANE: I just have one question, Julie.
12 How often can the county raise rates to us at any
13 point in time?

14 MS. HERR: Whenever they want to, yes.

15 MR. LANE: So if we decide to do 17, 18, 19,
16 we could be back to a quarter profit in two years'
17 time anyway, so I wonder if we're not better off
18 raising it every year, every December, looking at the
19 account, make an adjustment that the -- so if we tell
20 someone it's going to cost you another \$12 next year
21 sometime, they're on a tight budget, they can absorb
22 12. The county hits us with \$2, we pass that along,
23 all of a sudden the \$18 is 20 and the ordinance makes
24 no sense. So I wonder if we have a time table from
25 them we could adjust ours accordingly.

1 MS. HERR: No, there's no time table.
2 Whether it's once a year or every other year, it's
3 just whenever, you know, they need it for their, for
4 their needs. You know, I just wanted to have
5 something in there for a three-year period that was
6 something we could count on that every year we
7 wouldn't have to go back and not sure whether whoever
8 is sitting on council at that time would go for a
9 rate increase or not. You could look at it as
10 putting it in there and also putting a caveat that
11 every year it will be readdressed and rates could be
12 changed based upon what's happened with the county.

13 But again, I would just like to see something
14 in there that sets it in there for the next three
15 years so we can count on that, we can project our
16 rates on that and base our projects on those figures.

17 MR. SNYDER: Mr. Lane has a good point, and I
18 think here's the problem. That's fine, but that
19 leaves us no money to do capital projects. If we do
20 not increase our rates accordingly, we will have no
21 money unless we move it from the general fund, which
22 supports safety forces, police, fire, and salaries.
23 It has to come from the general fund. We were
24 overfunded \$800,000 a little over three years ago in
25 that fund. And it's gone. We subsidized the sewer

1 fund this year, I believe what was it, about
2 \$400,000?

3 MS. HERR: No, we didn't subsidize it this
4 year.

5 MR. SNYDER: We didn't transfer money this
6 year?

7 MS. HERR: Not this year. We have in the
8 past but not the last couple years.

9 MR. SNYDER: In the projected rate going two,
10 two and one, it gives us only about \$225,000 for the
11 project.

12 MR. SARBACH: We had on for discussion, I'm
13 going to put on for ordinance for those particular
14 structures that you recommended to us and we'll have
15 it probably three readings and you can get the
16 language tied down the way you think you want it and
17 we'll review it for our next meeting.

18 Okay, Item G is the last item. It's Dressler
19 well raw waterline. I believe that has to do with
20 the relocation of the Dressler bridge.

21 MR. MILLER: Yes. This is another outcome,
22 if you will, of the Dressler Road and the bridge
23 realignment going over to, over across 77. This is
24 an item that we do have budgeted. We're going to put
25 this out for bid at this point in time so we can

1 attempt to coordinate it with another project that we
2 bid out last year but have not started in the same
3 area and maybe get an economy of sale that comes in,
4 sharpens its pencil and simplifies our lives for us.
5 But bottom line is we need to get this out to bid so
6 we can get these two projects going this year.

7 MS. KIESLING: What's the other project?

8 MR. MILLER: The other project is on the
9 north side of the street, if I recall correctly,
10 that's for \$65,000 and some change. It is aligning
11 another section of it that needs to be aligned on the
12 north side. This is dealing with the south where
13 again the road is moving. By moving the road, we,
14 since it's outside the corporate limits of the City
15 of North Canton, we're required as basically a
16 utility at that point to pay for any relocation of
17 waterlines.

18 MR. SARBACH: Any questions, Jon?

19 MR. SNYDER: No, sir. I'm fine with that.

20 MS. HERR: That's fine.

21 MR. SARBACH: I see you have that on for
22 emergency. We'll have that on next week for
23 emergency. That's all I have, Mr. Chairman.

24 MR. SNYDER: Thank you. The next thing under
25 Finance and Property, we have a request from

1 administration for a temporary easement and
2 engineering review of the properties along the
3 Nimishillen. As you know, we've had people come from
4 that area, the west branch, and come to council
5 seeking relief. Mr. Lane has been working even prior
6 to his election and through his five and a half or
7 six months here on council with those residents
8 trying to look for adequate relief along with the
9 engineer, law director, mayor, and director of
10 administration. They seem to come up with the fact
11 that there's enough public interest, and the interest
12 being there's enough public problem that could arise
13 from the flooding of that dam that is on that
14 structure along with the headwalls along the side.
15 They're requesting that a temporary easement, we take
16 a temporary easement on Mr. King's property to allow
17 the engineering study to be done.

18 There's a problem with that, if that dam ever
19 lets loose and it's not properly maintained that
20 water will end up unfortunately in somebody's
21 basement downstream. And so consequently this is a
22 proactive approach to that. I know some of the
23 neighbors there do not want us to remove the dam;
24 however, it is a problem to the people downstream.
25 And it has to be looked at from the fact of how much

1 water and how we could control the movement of that
2 water. So I think that I have no problem with it. I
3 don't know, members of my committee, Mrs. Kiesling,
4 do you have any problem with that?

5 MS. KIESLING: No. I agree. I think there's
6 enough public interest, it's been a bad situation.

7 MR. SNYDER: Mr. Peters, anything with that?

8 MR. PETERS: I agree.

9 MR. SNYDER: So we'll put that on there,
10 we'll put that as emergency to expediate it so prior
11 to anniversary come July 27th that we have an answer
12 or two tickets to go south for you. Or an answering
13 machine, one or the other, but we'll move that along.

14 MR. LANE: Thank you.

15 MR. SNYDER: You're welcome. The next
16 request has been fondly called the Heiser property.
17 As you know, several years back, sometime I believe
18 in 1998 or 1999 we worked diligently to rezone the
19 property along Whipple Avenue, namely the Heiser
20 property. Along with that there were certain
21 requirements that put in for the request for the zone
22 change, that of general business, being that
23 Mr. Heiser donate the property to the city for park
24 land. And it's been some time and they finally now
25 cleaned this up and it's ready to be presented.

1 However, in order for Mr. Heiser to
2 capitalize on the actual value of the property he was
3 required to seek an independent appraisal, to which
4 he did. The section that he wants to donate to the
5 city has a purported value of \$660,000. We as the
6 donee have to accept it at such so he's able to
7 deduct from his income tax or future income tax that
8 amount of money. There's some question as to
9 Mr. Heiser's liability relative to the trees that
10 were planted upon that mound that was placed there
11 for sight and noise barrier. We've had that
12 discussion I know with the engineer. Mr. Heiser has
13 proposed, we did change the specifications in the
14 subdivision that require, at the request of the law
15 director, a cash bond be placed to guarantee the
16 placement of any type of landscaping. Mr. Heiser has
17 placed a bond in excess of \$95,000 which he wants
18 released.

19 However, I understand some of those trees
20 have died over the last four or five years. A lot of
21 that has caused -- Mr. Hemminger, in our inspection
22 department, is actually is an expert per se in trees.
23 He has a degree in forestry. The trees on those
24 mounds, due to the slope of the mound, will not allow
25 the water to stay to the base of those trees. So no

1 matter how many times you keep replanting them they
2 probably will die because the water just runs off and
3 through a drought period they die. They are soft
4 pine, require a lot of water through the summer and
5 fall to maintain themselves in the winter months. So
6 I'm of the opinion that Mr. Heiser has fulfilled his
7 obligation.

8 The city needs to take that property to
9 protect it. There are future uses for it that the
10 administration has planned and I would recommend at
11 this point we accept Mr. Heisler's land and move on
12 it from this and move on there. Mrs. Kiesling, any
13 thoughts on it?

14 MS. KIESLING: You say he wants to be
15 released from the \$95,000 bond?

16 MR. SNYDER: That's correct. He has it
17 placed in an instrument, a letter of credit from his
18 bank. In other words, his bank has issued a letter
19 saying -- it's similar to a certified check. At any
20 time if Mr. Heiser would not fulfill his obligations
21 we can take the letter to the bank and request
22 payment of that letter of credit, and he's paying, I
23 don't know, quarterly or yearly an interest rate
24 against that letter of credit. So he's asking now
25 that we relieve him of his obligation to post that

1 bond to continue for plantings of more trees along
2 that property.

3 MS. KIESLING: And the reason for it is
4 because he's donating it for the city, therefore it
5 will all become our responsibility. Is that --

6 MR. SNYDER: I don't believe the mound is our
7 responsibility.

8 MS. KIESLING: The mound is Mullinax's
9 responsibility.

10 MR. SNYDER: That's Mr. Heiser's
11 responsibility. To the east is our responsibility,
12 but the mound itself is Mr. Heiser's responsibility.
13 It's been a long time since I looked at that, but to
14 the best of my knowledge the mound is Mr. Heiser's.
15 However, he was required, there was some question in
16 his genuineness to plant those trees so Law Director
17 Battista requested, there is a codicil in our
18 subdivision regulations which allow a law director to
19 force a letter of credit or cash bond.

20 MS. KIESLING: Is he going to replace the
21 trees that are dead?

22 MR. SNYDER: I don't believe it's his
23 intention at this point to replace those trees.

24 MR. MILLER: Mr. President.

25 MR. SNYDER: Sir.

1 MR. MILLER: I walked it a couple weeks ago.
2 There are no more dead trees up there. There might
3 be a stump or two where they were. I had engineering
4 count today, there are 144. I wasn't here at the
5 time, but I understand it -- live trees. There was
6 supposed to be 150 live trees up on that mound, so
7 right now he's six short, if you will. This is five
8 years after the start of all this. So that's what's
9 there at this point in time. I'll let council do
10 with it what it wants to.

11 MR. SNYDER: The point well taken, sir. I
12 understand what you're saying. I think at this point
13 just for the fact is it behooves the city and the
14 city's best interests, I believe, to take that
15 property under deed that we can control. That's the
16 sensitive area with the Zimber situation and it would
17 allow the administration to control that property and
18 to use it if they had to for flood retention.

19 MR. PUSATERI: Mr. President, I talked to
20 Mr. Heiser's lawyer as well and we approved the
21 amount being donated and also release of credit.
22 They're ready to do all the work and preparing the
23 deeds and get that to us as soon as possible. Get
24 that transferred.

25 MR. SNYDER: Thank you, sir.

1 MS. KIESLING: May I ask one more question?

2 MR. SNYDER: Sure.

3 MS. KIESLING: Mr. Mayor, you're part of the
4 homeowners association. How do they feel about, are
5 they okay with the mound and everything that's gone
6 on?

7 MR. RICE: I have no comment on that. I
8 suggest you consult our ward councilman.

9 MS. KIESLING: Have they commented to you?

10 MR. SNYDER: The only comment, Member
11 Kiesling, the president of that association, Mr.
12 Wendell Horn, has on numerous occasions asked me for
13 copies of the actual deed. Several years ago under a
14 previous ownership they were promised many things,
15 and either by virtue of a bankruptcy or something it
16 did not come to fruition. I believe, and I believe
17 I'm being presumptive when I speak for the
18 association, that they would be very much content if
19 the deed in fact was in the city's name.

20 MS. KIESLING: Okay.

21 MR. SNYDER: I don't think they have a
22 problem with the trees.

23 MR. MILLER: Mr. President, when I walked the
24 property I walked it with Mr. Horn and we both noted
25 there weren't any more dead trees. There were a

1 couple stumps here and there, but he seemed satisfied
2 with the condition of the mound at this point in
3 time.

4 MR. OSBORNE: The city is contractually
5 obligated to accept that property.

6 MS. KIESLING: I agree. I want to accept. I
7 want to make sure Mr. Heiser is keeping up his end of
8 the deal as far as the mound.

9 MR. SNYDER: Mr. Peters, do you have any
10 comment on that, sir?

11 MR. PETERS: How high is that mound?

12 MR. SNYDER: Sir, around 10 feet.

13 MR. MILLER: It seems to be the range of 15
14 feet tall.

15 MR. SNYDER: It's so many degrees. I
16 apologize. That was negotiated through the
17 homeowners association and Mr. Heiser's
18 representative, George Semergan, and it did meet all
19 the requirements of that and that's the problem.
20 Just the mound is not actually a flat upper surface.
21 It's very sloped and the water does run off, and once
22 the trees are in the ground, once they have rooted
23 themselves sufficiently enough into the side of the
24 mound, which they have done, they can theoretically
25 get enough water to continue their growth. They're

1 very slow growing, something in the eight- or 12-year
2 pattern to get to full height.

3 Any question of council on that matter? If
4 not, I would put that on the agenda. Director of Law
5 Pusateri, is that to be an emergency situation to
6 accept that immediately or do you know that?

7 MR. PUSATERI: I can't articulate a reason
8 why it needs to be an emergency.

9 MR. SNYDER: So we'll go through three
10 readings. Thank you, sir.

11 All right. Next is contract with ME
12 Companies for water tower site in the northern
13 portion of our service area. There's a request for
14 approximately five thousand some dollars, \$5,400 to
15 contract with ME Consultants to locate an actual area
16 that they could place a northern water tower. Which
17 when we hired Finkbinder, Pettis & Stroud, in their
18 report of 2003 said if we were to continue
19 northwardly and acquire new customers in the northern
20 quadrant that that service area, our actual pressures
21 would drop. And that's a request for 5,400.

22 However, relative to that, if you'll bear
23 with me, I would like to just apprise council as
24 chairman of your finance committee of actually the
25 state of the city versus the water fund at present.

1 Ladies and gentlemen, we are in a very, very serious
2 situation, in my opinion, at this present time
3 relative to water. Presently we are going to begin
4 in the fiscal year 2005 with payments of \$968,000.
5 In 2006 they'll increase to \$1,198,000. Without the
6 debt service of 1.4 million, which we will probably
7 borrow this coming Monday, along with approximately a
8 million to a million three which will need to be
9 borrowed to service the backwash tower that we
10 approved for engineering, so there's some \$2 million.
11 Almost three million. And hence you build a water
12 tower for about a million five, we will then be in
13 the neighborhood of an additional four and a half
14 million dollars.

15 At present our debt is 12,936,072. Our
16 income on the water fund last year was \$3.8 million.
17 \$800,000 of the 3.8 was transferred for capital
18 funds. Our consolidated fund balance to date, April
19 30, 2004, is \$14 million. 7.4 million is encumbered.
20 That leaves approximately \$6.5 million. Which is a
21 little more than one year's income tax. We're asking
22 with those two new requests an additional \$450,000
23 per year, which will make our debt service just, you
24 know, almost to the point where actually you'll need
25 to use the general fund.

1 The normal rule of thumb is you subtract out
2 our operating without debt service. We are presently
3 2 points debt equity on our water fund. When we
4 begin the debt service retirement in 2005 we drop to
5 .93, and when we add the water for backflow we're
6 down to about .67. Comfortably a bank looks at you
7 between 1.5 and 1.8. A few years ago we were 8 to 1.
8 We've gone from \$22 million in the debt with zero
9 debt to just about 6.5 million in the bank with close
10 to \$15 million in debt. We continue every week to
11 kid ourself on our water rates that we just are going
12 to pass on nine cents or ten cents or a quarter.
13 Unfortunately we need, sooner than later, a very,
14 very good review of our rates to find out and to
15 factor in the fact of what actually it is actually
16 costing, because we will wake up in the very near
17 future with an inability to pay the debt and I don't
18 know what we'll do at that particular time.

19 But I'm just telling you -- I've not made
20 these numbers up, these numbers are available from
21 the finance director. They're public numbers. What
22 will happen to us when we go into the borrowing
23 market, we are not eligible to borrow money if you're
24 at .68 debt to equity. They don't look at you much
25 below about 1.8, 1.7. So I just want to bring that

1 up to you as I pass through that we can continue to
2 fool ourselves all we want by thinking that we can
3 continuing to charge people outside for the water,
4 but when the water costs us in excess of \$3.25 per
5 thousand and we don't bill at least what we cost to
6 produce it, plus debt service, we're going to be in
7 problems.

8 So I would hope that the water chairman will
9 diligently move forward, and as I say, sooner than
10 later and that is a direct request of I believe the
11 members of my committee and I'll actually ask for
12 that, and Chairman Sarbach, if you can expediate that
13 that will be greatly appreciated.

14 I'll go back on to agenda on the request for
15 that. Mrs. Kiesling, do you have any comment on
16 that?

17 MS. KIESLING: Actually, I do have one
18 comment. What you said is very enlightening, and I
19 have been here almost the last three years now. And
20 it is very hard to increase rates here in the city
21 but it's definitely going to have to happen here
22 really soon. Obviously.

23 The second thing is I appreciate Mr. Miller
24 giving us this. I know you had asked Julie for the
25 money and I appreciate Julie not giving it to you. I

1 know that doesn't sound very good, but I do. I think
2 things have gone on a little too long and I think we
3 need to be more aware of what's going on. I've been
4 here three years. I didn't realize that we may need
5 a water tower in the northwest quadrant because
6 nobody has ever said that to me. Whether they said
7 to Greg, who was chairman of water, and who was
8 chairman of water last term?

9 MR. SNYDER: Rick McLaughlin.

10 MS. KIESLING: What was said to Rick, it,
11 never went down the chain to the rest of us. This is
12 frustrating. This is extremely important as well as
13 the expansion to the water treatment plant, as is
14 replacing waterlines to our current customers. And I
15 think three years ago, two years ago, one year ago
16 all this information would have really helped at
17 least myself personally to have been able to increase
18 the rates without even thinking twice because it's
19 very hard to expect, you know, these people expect
20 their lines to be replaced and to have clean water,
21 as I do, so I think they're comfortable knowing they
22 have to pay for what they're going to get and I think
23 the seven of us have sat up here not, not fully
24 informed as to really what was needed to give them
25 exactly what they need as far as the water, the

1 plant, the lines, another tower, the backwash tower.

2 I mean, everything seems to be coming right
3 at us right now and that's very frustrating, so I
4 appreciate both of you working together bringing all
5 this to us. I appreciate Jon's researching all the
6 numbers, and I think we all do have to sit back and
7 look at this a little more seriously.

8 MR. SARBACH: Thank you. I have had
9 discussions recently, as recently last Friday with
10 Mr. Miller. My request was sooner rather than later,
11 and he assured me it was forthcoming and I believe it
12 was less than two months.

13 MR. MILLER: Hopefully to completion, yes.
14 We've got three quotes in now. Provided that I don't
15 have to come back to council to get that amount
16 approved because it will be less than 25, much less
17 than 25, be about 10 to 15 range, we should be able
18 to get that done within two months. Obviously that's
19 important. I share both the director of finance and
20 the president of council's concerns. I've always
21 operated utilities in the black and will continue to
22 do so and operate them in a responsible way. But we
23 also need to plan for the future and that's why we're
24 looking at a rate study that will look out 20 years
25 with everything that needs to be done to our system

1 and make sure we can live within our budget to
2 accommodate whatever needs to be done.

3 MR. SARBACH: Thank you, Mr. Miller. I
4 appreciate your expertise in this matter. Hopefully
5 it will continue at lightening speed to get the
6 results we need, get back to being in the black.
7 Thank you.

8 MR. SNYDER: Thank you, Mr. Sarbach.
9 Mr. Peters, do you have anything to state before we
10 open to council?

11 MR. PETERS: Just to echo Marcia's concern
12 also, I would even go, you know, further. Like
13 Marcia said, everything seems to be coming at us at
14 once and, you know, going back to -- if I may,
15 indulge me for a second. Going back to the sewer
16 rates, that fee schedule, you know, I'm just
17 frustrated that we're behind the eight ball, where we
18 find ourselves behind the eight ball now and this is
19 going to require hard decisions, I know, and this is
20 a platform that a lot of us used in our election was
21 infrastructure and water and that type of thing and I
22 just think we need to take a good hard look at it.
23 So that's all I have.

24 MR. SNYDER: Thanks. I would hope I again
25 speak for my committee. I would think, Mr. Miller,

1 we will support one hundred percent your needs
2 financially on that study. We do need that. We
3 appreciate your efforts going forward, yours and the
4 administration on that. Anybody in council have any
5 comments relative to this on the tower?

6 MS. KIESLING: Jon, do you feel comfortable
7 going forth?

8 MR. SNYDER: Mr. Miller, may I ask another
9 question, sir? I don't want to seem like we're
10 standing up, I know we had this conversation relative
11 to the backwash towers approximately two weeks ago,
12 sir. And maybe you're not in a position to answer
13 that. However, we moved forward for the 5,400.
14 We're talking 15 million. 5,400, pardon my
15 expression, is chump change. Do you feel if you
16 could tell us council if we authorize this knowing
17 what your ideas are, as soon as it comes to light
18 that we're looking for property somewhere, even the
19 worst piece of property becomes golden and we're all
20 going to line up there and tell you we've got
21 something for sale, but are you comfortable to the
22 idea we may option a piece of property and I think
23 that would be probably, is that included in the
24 5,400, the option cost?

25 MR. MILLER: No. I'd have to check and see

1 whether ME has obtained an option within that. We
2 might for a thousand dollars or whatever be able to
3 bring it back to council, but as I told council
4 before, every step in the process past this point has
5 to come back to council for a decision on it. The
6 decision to buy the property will be an option to
7 purchase and council will be able to say yea or nay
8 on that. If they say yea on the purchase, then at
9 some point it will be back to council for design.
10 Once the design is done to go out to bid it will back
11 to council, so each step of the way will be back
12 before council.

13 And basically this is ground work, if you
14 will, because a water tower doesn't just sprout up
15 tomorrow. A water tower will be at least two, three
16 years out even if we said today we want to build a
17 water tower somewhere. So this is just doing the
18 ground work and making sure that we move forward
19 rather than getting ourselves in a position where
20 suddenly we're up against a brick wall and we tell
21 people we can't allow them to extend water because we
22 don't have the appropriate pressure.

23 MR. SNYDER: You know, some of us have been
24 around here, the last water tower came in a very
25 sophisticated storage unit for water and

1 unfortunately doesn't serve our needs. Very much
2 like the person that bought a new car, lost it back
3 to the bank and is still making the payments and no
4 ability to drive the car. We are making payments of
5 276,000 a year and you spit on that thing for what
6 it's worth.

7 That's neither here nor there. As chairman
8 of this committee, I would authorize the 5,400
9 provided there was a study to locate and give you
10 ideas of where it is because the last firm that
11 engineered the last tower or the last tank that did
12 the quotations for us didn't perform, sir, and I know
13 your ability relative to water so I would think that
14 hopefully the game, customer catch-22 here, we need
15 more customers to pay our debt but at the same time
16 we can't just assume that debt service just because
17 we don't have the customers there. But for 5,400 I
18 would recommend to the rest of my committee we put it
19 on there, give it to you to show our good faith to
20 you, sir, and the administration. You know, we want
21 to move forward.

22 Again, the same with the study. We are doing
23 this, and please, I don't want to seem like I'm
24 backing up on my original statement, we do have about
25 \$115,000 left over from the Middlesworth project that

1 we did not use and we will use a small portion of
2 that for another thing, but at this case the 5,000
3 from there and 15,000 for the study will be money
4 well spent. Ms. Kiesling?

5 MS. KIESLING: That's fine.

6 MR. SNYDER: Mr. Peters?

7 MR. PETERS: That's fine.

8 MS. HERR: We can just do this through a
9 purchase order so we don't need legislation or
10 anything like that?

11 MR. SNYDER: That's fine. We'll move
12 forward.

13 MS. HERR: I want to make sure it merits it.

14 MR. SNYDER: Mr. Lane, go ahead.

15 MR. LANE: I want to echo previous comments.
16 I don't want to belabor. Having been a resident 16
17 years last Monday, being on the outside and inside, I
18 know where Marcia is coming from. Suddenly you turn
19 around and you're \$15 million in debt. Part of this
20 I think goes back to previous councils and previous
21 administrations and we have never really had a
22 long-term plan and that's what I'm looking forward to
23 seeing and we'll know exactly, you know, God forbid a
24 disaster of some sort we'll know exactly what's
25 pending, what's coming and what our possible return

1 on investment will be and it won't be so hard to go
2 15 million in debt when I know you're going to pay it
3 back in a short period of time. I'm looking forward
4 to it. Hopefully we'll have that long before next
5 year's budget.

6 MR. SNYDER: The final thing on the agenda,
7 last, two weeks ago maybe it was, we spoke of the
8 phone system assessment. Director Herr was not here,
9 she had personal business to take care. I was not in
10 a position to answer your questions. The cost is
11 11,497, the company's name is BTS. And the way I
12 understand the letter and speaking to Director Herr,
13 they will analyze the rate that we are paying for the
14 services from the SBC, is that who it is? SA?

15 MS. HERR: SBC.

16 MR. SNYDER: Verizon for our wireless service
17 and some other comprehensive assessments on our
18 telecommunications system. They guarantee to us that
19 the 11,497 we will receive back over about a 12-month
20 payback and this simply is not a service to sell us
21 long distance or to sell us a phone line, I don't
22 believe. It's assessing our present vendors what
23 they are charging us. And as you know by shopping
24 around, there are tariffs on all those lines and
25 possibly for the longest time phone companies had the

1 ability to bill you at the highest tariff and there
2 was not competition so you just continued to pay that
3 and I think this is what this said also. Is that not
4 correct, Mrs. Herr, on that? Did I sum that up
5 properly?

6 MS. HERR: Yeah. Basically Business and
7 Technology Services, they have partnered with Ohio
8 Schools Council, which is a consortium that has, you
9 know, extremely competitive rates already established
10 with vendors such as SBC, Verizon, and all other
11 telecommunication companies out there. And if we, by
12 using that, we can get on board the rates that the
13 Ohio Schools Council gets as well as they'll look at
14 what type of lines we have. Right now most of our
15 lines, in fact, all of them are Centrex lines and
16 there might be other options out there that would
17 save us money on just our normal line rates. And
18 also look at our, the actual hardware of our phone
19 system and give us recommendations as far as options
20 for the future, we want to look at replacing it, and
21 also look to see if we've been billed incorrectly for
22 anything in the past. And if so, we can actually get
23 credits back from SBC and, you know, there's a whole
24 laundry list of things that they will do in this
25 assessment.

1 MR. SNYDER: Mrs. Kiesling, any comment?

2 MS. KIESLING: You know, I don't know a whole
3 lot about phone lines. I'm going to trust Julie. If
4 she feels if the assessment is a good idea I have no
5 problem with it.

6 MS. HERR: One thing I just want to mention
7 is that they do have in their packet that they put
8 together for me, there are examples of other cities
9 that have used this and showed how much they have
10 saved, you know, by doing this assessment, so there
11 are cases definitely of, of substantial savings.

12 MR. SNYDER: Mr. Peters, any comment, sir?

13 MR. PETERS: Yeah, I'm comfortable with this.
14 I have a little bit, I've been in this business
15 before and this looks like a great deal. I almost
16 liken it to the natural gas aggregation; you know,
17 using the power of the people to garner a good rate.
18 Yeah, if it's going to save us money, they're
19 guaranteeing whatever we pay is the first-year
20 savings.

21 MR. SNYDER: Council, any comment?

22 MR. SARBACH: This does not necessarily mean
23 we'll change vendors; that's correct? We would still
24 probably be with Verizon, SBC?

25 MS. HERR: Probably, but with better rates.

1 MR. SNYDER: Member of council, comment?

2 Again, this is under the statutory limit.

3 MR. PUSATERI: Mr. President, I was talking
4 with Mrs. Herr about that. If I remember right,
5 there's a contract that we signed with terms. I feel
6 uncomfortable with council passing an ordinance by
7 emergency before it went to the Board of Control and
8 have the mayor sign it.

9 MR. SNYDER: Absolutely, sir. That's the way
10 we'll do it if it's okay with the committee. We
11 place it on the agenda for May 10th, next Monday, as
12 emergency basis and see about it.

13 MS. KIESLING: That's fine.

14 MR. SNYDER: Anything to come before this
15 council? Seeing none, move for adjournment.

16 MR. LANE: Move.

17 MR. PETERS: Second.

18 MR. SNYDER: Those in favor, say aye. Those
19 opposed, say nay. Meeting adjourned.

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21 Meeting adjourned at 8:20 p.m.

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C E R T I F I C A T E

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STATE OF OHIO)
) SS
STARK COUNTY)

I, Laurie Maryl Hart, a Registered Merit Reporter and Notary Public in and for the State of Ohio, duly commissioned and qualified, do hereby certify that this meeting was by me reduced to Stenotype and afterwards transcribed by computer-aided transcription, and that the foregoing is a true and correct transcription.

I do further certify that this meeting was taken at the time and place in the foregoing caption specified. I do further certify that I am not a relative, counsel or attorney, or otherwise interested in the event of this action, or is the court reporting firm with which I am affiliated under a contract as defined in Civil Rule 28(D).

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal of office at Canton, Ohio, on this 27th day of May, 2004.

Laurie Maryl Hart

Laurie Maryl Hart, RMR & Notary Public.
My commission expires January 6, 2007.