



**SANDUSKY CITY COMMISSION
REGULAR SESSION AGENDA
October 27, 2014 at 5 p.m.
City Hall, 222 Meigs Street**

INVOCATION	Wesley Poole
PLEDGE OF ALLEGIANCE	
CALL TO ORDER	
ROLL CALL	D. Brady, S. Schell, W. Poole, D. Murray, J. Farrar, J. Smith & N. Twine
APPROVAL OF MINUTES	October 14, 2014
AUDIENCE PARTICIPATION	Agenda items listed below only (3 minute limit)
COMMUNICATIONS	Motion to accept all communications submitted below

CURRENT BUSINESS

ITEM #1 – Submitted by Victoria Kurt, Recreation Program Supervisor

GRANT APPLICATION TO LAKE ERIE SHORES & ISLANDS FOR FISHING TOURNAMENTS

Budgetary Information: There is no budgetary impact. These grants require no matching funds from the city and will be used as partial funding for the costs of the fishing tournaments.

RESOLUTION NO. _____: It is requested a resolution be passed approving the submission of grant applications to the Lake Erie Shores and Islands for financial assistance with fishing tournaments for the Recreation Department and, if awarded, authorizing the city manager to execute any require agreements; and declaring that this resolution shall take immediate effect in accordance with Section 14 of the city charter.

ITEM #2 – Submitted by Jane E. Cullen, P.E.

RESOLUTION OF NECESSITY FOR WATER STREET REHABILITATION & PAVING PROJECT

Budgetary Information: The engineer's estimate for the total project cost including engineering, inspection, advertising and miscellaneous expenses is \$1,630,252.67. The Metropolitan Planning Organization will fund 80% of the eligible costs in the amount up to \$993,053.20. The sewer funds will cover \$145,523.42, the water funds will cover \$115,651.16 and community development block grant funds will cover \$69,507.89. The city received an Ohio Public Works grant in the amount of \$306,517 which will cover the remaining expenses.

RESOLUTION NO. _____: It is requested a resolution be passed declaring the necessity for the city to proceed with the proposed Water Street rehabilitation and paving project; approving the specifications and engineer's estimate of cost thereof; and directing the city manager to advertise for and receive bids in relation thereto; and declaring that this resolution shall take immediate effect in accordance with Section 14 of the city charter.

ITEM #3 – Submitted by Aaron M. Klein, P.E.

LICENSE FOR ENCROACHMENT WITH RFP PROPERTIES, INC.

Budgetary Information: There is no budgetary impact with this item.

ORDINANCE NO. _____: It is requested an ordinance be passed authorizing the city manager to enter into a license agreement with RFP Properties, Inc. to provide for the use of a certain portion of the city's rights-of-way as described in the grant of a license for encroachment, a copy of which is attached to this ordinance, marked Exhibit "1" and incorporated herein; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

ITEM #4 – Submitted by Hank S. Solowiej, CPA & Finance Director

TWO-YEAR AGREEMENT WITH STATE OF OHIO FOR COMPREHENSIVE ANNUAL FINANCIAL REPORT

Budgetary Information: The total cost will be an amount not to exceed \$28,000 for each year. The cost will be distributed to the general fund (\$14,000), water fund (\$7,000) and sewer fund (\$7,000). The prior ordinance was passed by the city commission on December 26, 2012 (Ordinance #12-137) that covered the 2012 and 2013 Comprehensive Annual Financial Reports. There is no increase in the cost.

ORDINANCE NO. _____: It is requested an ordinance be passed authorizing and directing the city manager to enter into an agreement with the State of Ohio, Office of the Auditor, for the preparation of the December 31, 2014, and December 31, 2015, Comprehensive Annual Financial Reports; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

CITY MANAGER'S REPORT

OLD BUSINESS

NEW BUSINESS

AUDIENCE PARTICIPATION

Open discussion on any item (5 minute limit)

EXECUTIVE SESSION(S)

ADJOURNMENT

Buckeye CableSystem broadcasts on Cable Channel 81:

Monday, October 27 at 8:30 a.m.

Tuesday, October 28 at 5 p.m.

Monday, November 3 at 7 p.m.



To: Eric Wobser, City Manager
From: Victoria Kurt, Recreation Program Supervisor
Date: October 14, 2014
Subject: Commission Agenda Item

ITEMS FOR CONSIDERATION: Requesting legislation approving the submission of two (2) grant applications to Lake Erie Shores and Islands for the Recreation Department.

BACKGROUND INFORMATION:

- Lake Erie Shores and Islands–Application for \$5,000.00 for the 2015 Fishing League Worldwide Rayovac FLW Series to cover the cost associated with the hosting fee and promotional pieces in the FLW Bass Fishing Magazine, media events, and press releases. Tournament is proposed to be held August 26-29 at the Shelby Street Public Boat Launch Facility. The National FLW Rayovac Series is projected to bring 300 anglers from all over the United States and has never been hosted by the City of Sandusky.
- Lake Erie Shores and Islands – Application for \$5,000.00 for the 2015 Bassmasters Northern Open to cover the cost associated with the hosting fee and promotional pieces in the 2015 Pro Guide. Tournament is proposed to be held September 24-26 at the Shelby Street Public Boat Launch Facility.

Funding was received by the City of Sandusky from Lake Erie Shores and Islands for the 2013 Bassmasters Northern Open that was held September 12-14 at the Shelby Street Public Boat Launch Facility. This tournament was a huge success for Bassmasters as well as the City of Sandusky and brought in 250 anglers from all over the United States.

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

ACTION REQUESTED: It is requested that the proper legislation be prepared to allow for the approval of the two (2) grant applications to be submitted to Lake Erie Shores and Islands Events Committee and allow for the City Manager to execute any required agreements and expend funds consistent with the agreements. It is further requested that this be passed to take immediate effect in accordance with Section 14 of the City Charter in order to submit the applications at the earliest opportunity and, if awarded, to begin planning the events.

Victoria Kurt, Recreation Program Supervisor

Approved:

Eric Wobser, City Manager

RESOLUTION NO. _____

A RESOLUTION APPROVING THE SUBMISSION OF GRANT APPLICATIONS TO THE LAKE ERIE SHORES AND ISLANDS FOR FINANCIAL ASSISTANCE WITH FISHING TOURNAMENTS FOR THE RECREATION DEPARTMENT AND, IF AWARDED, AUTHORIZING THE CITY MANAGER TO EXECUTE ANY REQUIRED AGREEMENTS; AND DECLARING THAT THIS RESOLUTION SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, the Sandusky Recreation Department requests approval to submit applications to Lake Erie Shores and Islands for grant funding to assist with the costs for fishing tournaments at the Shelby Street Boat Launch Ramp Facility as listed below:

- Requesting funding in the amount of \$5,000.00 for the 2015 Fishing League Worldwide Rayovac FLW Series to cover the cost associated with the hosting fee and promotional pieces in the FLW Bass Fishing Magazine, media events, and press releases and is proposed to be held August 26-29, 2015; and
- Requesting funding in the amount of \$5,000.00 for the 2015 Bassmasters Northern Open to cover the cost associated with the hosting fee and promotion pieces in the 2015 Pro Guide and is proposed to be held September 24-26, 2015; and

WHEREAS, this Resolution should be passed as an emergency measure under suspension of the rules in accordance with Section 14 of the City Charter in order to submit the grant applications to Lake Erie Shores and Islands at the earliest opportunity and, if awarded, to begin planning the events; and

WHEREAS, in that it is deemed necessary in order to provide for the immediate preservation of the public peace, property, health, and safety of the City of Sandusky, Ohio, and its citizens, and to provide for the efficient daily operation of the Municipal Departments, including the Department of Recreation of the City of Sandusky, Ohio, the City Commission of the City of Sandusky, Ohio, finds that an emergency exists regarding the aforesaid, and that it is advisable that this **Resolution** be declared an emergency measure which will take immediate effect in accordance with Section 14 of the City Charter; and NOW, THEREFORE

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF SANDUSKY, OHIO, THAT:

Section 1. This City Commission hereby approves and authorizes the submission of grant applications to the Lake Erie Shores and Islands for the Recreation Department and authorizes and directs the City Manager and/or Finance Director to execute any grant agreements and to lawfully expend funds consistent with the applications should they be awarded.

Section 2. If any section, phrase, sentence, or portion of this Resolution is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 3. This City Commission finds and determines that all formal actions of this City Commission concerning and relating to the passage of this Resolution were taken in an open meeting of this City Commission and that all deliberations of this City Commission and of any of its committees that resulted in those formal actions were in meetings open to the public in compliance with the law.

Section 4. That for the reasons set forth in the preamble hereto, this Resolution is hereby declared to be an emergency measure which shall take immediate effect in accordance with Section 14 of the City Charter after its adoption and due authentication by the President and the Clerk of the City Commission of the City of Sandusky, Ohio.

DENNIS E. MURRAY, JR.
PRESIDENT OF THE CITY COMMISSION

ATTEST: _____
KELLY L. KRESSER
CLERK OF THE CITY COMMISSION

Passed: October 27, 2014



DEPARTMENT OF PLANNING, ENGINEERING & DEVELOPMENT

AARON KLEIN, P.E.
DIRECTOR

222 Meigs Street
Sandusky, Ohio 44870
Phone 419/627-5829
Fax 419/627-5933

aklein@ci.sandusky.oh.us

To: Eric Wobser, City Manager
From: Jane E. Cullen, P.E.
Date: October 15, 2014
Subject: Commission Agenda Item

Item for Consideration: Resolution of Necessity for the Water Street Rehabilitation and Paving Project. This project will provide for improvements from Shelby Street to Wayne Street. For the blocks between Jackson Street and Wayne Street, milling and resurfacing is planned. Between Lawrence Street and Jackson Street, new curbs and sidewalks will be installed where needed with the block between Decatur Street and Jackson Street receiving a streetscape improvement including brick pavers, street lights, and tree grates. This streetscape improvement will extend the existing downtown streetscape one block to the west. The blocks between Shelby Street and Lawrence Street will be reconstructed with new curb and gutter, sidewalks, drainage where needed, new driving surface and a continuation of the Sandusky Bay Pathway on the north side of the street. There will also be a replacement of an existing 8" waterline with a new 12" waterline between Lawrence Street and McDonough Street.

The Erie County Metropolitan Planning Organization (MPO) will fund 80% of the eligible construction costs for the project with the remaining balances being funded with City Funds, Community Development Block Grant Funds (CDBG) and Ohio Public Works Commission (OPWC) grant funds. This work will be performed in 2015.

Budgetary Information: The engineer's estimate for the total project cost including engineering, inspection, advertising and miscellaneous expenses is \$1,630,252.67. The MPO will fund 80% of the eligible costs in the amount up to \$993,053.20. The Sewer Funds will cover \$145,523.42, the Water Funds will cover \$115,651.16 and Community Development Block Grant Funds (CDBG) will cover \$69,507.89. The City received an Ohio Public Works Grant (OPWC) in the amount of \$306,517.00 which will cover the remaining expenses.

Action Requested: It is recommended that the proposed Water Street Rehabilitation and Paving Project be approved and that the necessary legislation be passed under suspension of the rules and in accordance with Section 14 of the City in order to bid and award the project within the proposed ODOT's project schedule of December 2014.

I concur with this recommendation:

Eric Wobser
City Manager

Aaron M. Klein
Director of Engineering

cc: Kelly Kresser, Clerk of City Commission
Hank Solowiej, Finance Director

RESOLUTION NO. _____

A RESOLUTION DECLARING THE NECESSITY FOR THE CITY TO PROCEED WITH THE PROPOSED WATER STREET REHABILITATION AND PAVING PROJECT; APPROVING THE SPECIFICATIONS AND ENGINEER'S ESTIMATE OF COST THEREOF; AND DIRECTING THE CITY MANAGER TO ADVERTISE FOR AND RECEIVE BIDS IN RELATION THERETO; AND DECLARING THAT THIS RESOLUTION SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, the City Commission approved and authorized the submission of an application to the Erie Regional Planning Commission, Metropolitan Planning Organization and an LPA Federal Project Agreement between the City and the Ohio Department of Transportation for the proposed Water Street Rehabilitation and Paving Project by Resolution No. 040-10R, passed on November 22, 2010; and

WHEREAS, the City Commission approved an agreement for professional design services with Mannik & Smith Group, Inc. for the Water Street Rehabilitation and Paving Project by Ordinance No. 13-063, passed on July 8, 2013; and

WHEREAS, the City Commission authorized the submission of an application by the City Manager for financial assistance and to enter into a Project Agreement with the Ohio Public Works Commission for the proposed Water Street Rehabilitation and Paving Project by Resolution No. 031-13R, passed on August 26, 2013; and

WHEREAS, this City Commission approved an LPA Federal Local-Let Project Agreement with the Ohio Department of Transportation (ODOT) for the Water Street Rehabilitation and Paving Project by Resolution No. 023-14R, passed on April 28, 2014; and

WHEREAS, this City Commission approved an amendment to the agreement for professional designs services with Mannik & Smith Group, Inc. for additional services to prepare right-of-way encroachments for the Water Street Rehabilitation and Paving Project by Ordinance No. 14-087, passed on July 14, 2014; and

WHEREAS, the proposed Water Street Rehabilitation and Paving Project will provide improvements to Water Street from Wayne Street west to Shelby Street including the milling and resurfacing of Water Street between Wayne Street and Jackson Street, new curbs and sidewalks where needed between Jackson Street and Lawrence Street, streetscape improvements including brick pavers, street lights, and tree grates between Decatur Street and Jackson Street and the reconstruction of blocks between Shelby Street and Lawrence Street with new curb and gutter, sidewalks, watermain, drainage where needed, new driving surface and a continuation of the Sandusky Bay Pathway on the north side of the street; and

WHEREAS, the estimated total cost of this project including engineering, inspection, advertising and miscellaneous costs is \$1,630,252.67 and will be paid with Federal Highway Administration (FHWA) funds through the Ohio Department of Transportation (ODOT) and the Erie County Metropolitan Planning Organization (MPO) in the maximum amount of \$993,053.20 (or 80% of eligible costs) and the remaining balance will be paid with Sewer Funds in the amount of \$145,523.42, Water Funds in the amount of \$115,651.16, Community Development Block Grant (CDBG) Funds in the amount of \$69,507.89, and Ohio Public Works Commission (OPWC) funds received in the amount of \$306,517.00; and

WHEREAS, this Resolution should be passed as an emergency measure under suspension of the rules in accordance with Section 14 of the City Charter in order to bid and award the project within the proposed Ohio Department of Transportation's project schedule of December of 2014; and

WHEREAS, in that it is deemed necessary in order to provide for the immediate preservation of the public peace, property, health, and safety of the City of Sandusky, Ohio, and its citizens, and to provide for the efficient daily operation of the Municipal Departments, including the Department of Engineering of the City of Sandusky, Ohio, the City Commission of

the City of Sandusky, Ohio, finds that an emergency exists regarding the aforesaid, and that it is advisable that this **Resolution** be declared an emergency measure which will take immediate effect in accordance with Section 14 of the City Charter upon its adoption; and NOW, THEREFORE

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF SANDUSKY, OHIO, THAT:

Section 1. The specifications and estimates of cost as prepared by the Director of Planning, Engineering and Development and submitted to this City Commission, and which are now on file in the offices of the Director of Planning, Engineering and Development and the Clerk of the City Commission, for the proposed Water Street Rehabilitation and Paving Project, be and the same hereby are approved by this City Commission.

Section 2. This City Commission hereby declares it necessary to proceed with the proposed Water Street Rehabilitation and Paving Project at the earliest possible time.

Section 3. The City Manager is authorized and directed to advertise for and to receive bids in relation to the proposed Water Street Rehabilitation and Paving Project as required by law.

Section 4. If any section, phrase, sentence, or portion of this Resolution is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 5. This City Commission finds and determines that all formal actions of this City Commission concerning and relating to the passage of this Resolution were taken in an open meeting of this City Commission and that all deliberations of this City Commission and of any of its committees that resulted in those formal actions were in meetings open to the public in compliance with the law.

Section 6. That for the reasons set forth in the preamble hereto, this Resolution is hereby declared to be an emergency measure which shall take immediate effect in accordance with Section 14 of the City Charter after its adoption and due authentication by the President and the Clerk of the City Commission of the City of Sandusky, Ohio.

DENNIS E. MURRAY, JR.
PRESIDENT OF THE CITY COMMISSION

ATTEST: _____
KELLY L. KRESSER

PAGE 3 - RESOLUTION NO. _____

CLERK OF THE CITY COMMISSION

Passed: October 27, 2014



DEPARTMENT OF PLANNING, ENGINEERING & DEVELOPMENT

AARON M. KLEIN, P.E.

222 Meigs Street
Sandusky, Ohio 44870
Phone 419/627-5829
Fax 419/627-5933
aklein@ci.sandusky.oh.us

To: Eric L. Wobser, City Manager
From: Aaron M. Klein, P.E., Director
Date: October 15, 2014
Subject: Commission Agenda Item

ITEM FOR CONSIDERATION: Encroachment License for the rear portion of the property located at 217 W Water Street for the installation of three residential balconies by Robert W. Schaefer Construction, owner's contractor on behalf of the owner RFP Properties, Inc.

The encroachment onto City property is 88.515 square feet total, on the rear of the property which sits on Shoreline Drive. This license will grant the property owner of 217 W Water Street permission to install three residential balconies, with stairs cascading from the lowest balcony over the City right-of-way for so long as the licensee complies with all requirements of this agreement and licensee acknowledges that this Grant of a License is terminable at the will of the City.

BUDGETARY INFORMATION: There is no budgetary impact with this item.

ACTION REQUESTED: It is recommended that the Grant of a License for Encroachment for the rear portion of the property located at 217 W Water Street be approved and that the necessary legislation be passed under suspension of the rules and in full accordance with Section 14 of the City Charter in order for the property owner's contractor may begin installation of balconies prior to the winter season.

I concur with this recommendation:

Eric L. Wobser
City Manager

cc: Hank Solowiej, Finance Director
Donald Icsman, Law Director
Kelly Kresser, Clerk of the City Commission

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO ENTER INTO A LICENSE AGREEMENT WITH RFP PROPERTIES, INC. TO PROVIDE FOR THE USE OF A CERTAIN PORTION OF THE CITY'S RIGHTS-OF-WAY AS DESCRIBED IN THE GRANT OF A LICENSE FOR ENCROACHMENT, A COPY OF WHICH IS ATTACHED TO THIS ORDINANCE, MARKED EXHIBIT "1" AND INCORPORATED HEREIN; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, certain property of the City is currently platted as City right-of-way including the property identified and more fully described in Exhibit "A"; and

WHEREAS, this proposed License for Encroachment will allow the property owner, RFP Properties, Inc., located at 217 W. Water Street to construct and install three (3) residential balconies overhanging the City right-of-way located on the south side of Shoreline Drive; and

WHEREAS, this City Commission, under powers of Local self-government granted to the City by Article XVIII of the Ohio Constitution and Section 3 and Section 25 of the Charter of the City of Sandusky, has the power to change the use of City property to a use that would be of greater benefit and use to the public; and

WHEREAS, this Ordinance should be passed as an emergency measure under suspension of the rules in accordance with Section 14 of the City Charter in order to execute the Grant of a License for Encroachment and allow the property owner to begin construction and installation of the three (3) residential balconies prior to the winter season; and

WHEREAS, in that it is deemed necessary in order to provide for the immediate preservation of the public peace, property, health, and safety of the City of Sandusky, Ohio, and its citizens, and to provide for the efficient daily operation of the Municipal Departments, including the Department of Engineering of the City of Sandusky, Ohio, the City Commission of the City of Sandusky, Ohio finds that an emergency exists regarding the aforesaid, and that it is advisable that this **Ordinance** be declared an emergency measure which will take immediate effect in accordance with Section 14 of the City Charter upon its adoption; and NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF SANDUSKY, OHIO, THAT:

Section 1. The City Manager is authorized and directed to enter into the Grant of a License for Encroachment Agreement with RFP Properties, Inc., substantially in the same form as contained in Exhibit "1", which is attached to this Ordinance and is specifically incorporated as if fully rewritten herein together with such revisions or additions as are approved by the Law Director as not being adverse to the City and as being consistent with carrying out the City's public purpose as set forth in the preamble hereto.

Section 2. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 3. This City Commission finds and determines that all formal actions of this City Commission concerning and relating to the passage of this Ordinance were taken in an open

meeting of this City Commission and that all deliberations of this City Commission and of any of its committees that resulted in those formal actions were in meetings open to the public in compliance with the law.

Section 4. That for the reasons set forth in the preamble hereto, this Ordinance is hereby declared to be an emergency measure which shall take immediate effect in accordance with Section 14 of the City Charter after its adoption and due authentication by the President and the Clerk of the City Commission of the City of Sandusky, Ohio.

DENNIS E. MURRAY, JR.
PRESIDENT OF THE CITY COMMISSION

ATTEST:

KELLY L. KRESSER
CLERK OF THE CITY COMMISSION

Passed: October 27, 2014

**GRANT OF A LICENSE
FOR ENCROACHMENT ON THE SOUTH SIDE
OF SHORELINE DRIVE RIGHT-OF-WAY**

This License Agreement is made this ____ day of _____, 2014, between the City of Sandusky, Ohio ("City") whose tax mailing address is 222 Meigs Street, Sandusky, Erie County, Ohio, 44870, and RFP Properties, Inc. ("Licensee") whose tax mailing address is 165 E. Washington Row, Sandusky, Erie County, Ohio, 44870, under the following conditions and circumstances:

A. The City of Sandusky, Erie County, Ohio, is the Owner and Trustee for the general public of the rights-of-way as defined in the Ohio Revised Code, Section 4511.01(uu), including Shoreline Drive, and is more fully described in Exhibit "A" which is attached to this License Agreement and is specifically incorporated as if fully rewritten herein.

B. Licensee is the owner in fee simple of the real estate adjoining the south side of the Shoreline Drive Street right-of-way located at 217 W. Water Street.

C. Licensee desires to construct improvements within the Owner's right-of-way for purposes of installing three (3) residential balconies in conjunction with the Licensee's facility located at 217 W. Water Street, Sandusky, Ohio, and as more fully described in Exhibits "A", "B", and "C" which are attached to this License Agreement and are specifically incorporated as if fully rewritten herein.

D. The City is willing to grant to Licensee a temporary license to maintain the encroachment for so long as Licensee remains the owner of the property to the south side of the Shoreline Drive right-of-way and provided the

encroachment is not substantially altered.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION PAID, THE PARTIES AGREE AS FOLLOWS:

1. The City grants to Licensee the license and permission to construct and maintain the encroachment as more fully described in Exhibits "A", "B" and "C" which are attached to this License Agreement and are specifically incorporated as if fully rewritten herein, for so long as Licensee remains the owner of real property located at 217 W. Water Street, Sandusky, Ohio, and provided that the encroachment is not substantially altered and Licensee complies with all legal requirements and Licensee acknowledges that this grant of a license is terminable at the will of the City;

2. Licensee agrees that, except for the license granted pursuant to this Agreement, Licensee makes no claim of right and has no interest or title in any part of the property and Licensee further agrees that the maintenance of the encroachment shall not, at any time, be deemed or construed to be an adverse possession of any part of the City's right-of-way;

3. Licensee agrees to construct and maintain the encroachment, solely at Licensee's expense, for use in conjunction with Licensee's facilities located at 217 W. Water Street, Sandusky, Ohio, and further agrees to indemnify and hold harmless the City of Sandusky (it's officials, employees, boards, commissions and agents) from any and all loss, damage, expense, or liability arising from the maintenance of the encroachment;

4. This Agreement shall not be construed to run with the land and is only a temporary license, terminable at the will of the Owner.

SIGNATURE PAGES TO FOLLOW

IN WITNESS WHEREOF, the parties have hereunto set their hands on the
dates indicated below:

SIGNED AND ACKNOWLEDGED
IN THE PRESENCE OF:

CITY:
CITY OF SANDUSKY

Eric L. Wobser, City Manager

State of Ohio)
) ss:
County of Erie)

Before me a Notary Public for the State of Ohio, appeared the above
named, Eric L. Wobser, City Manager of the City of Sandusky, who
acknowledged that he signed the foregoing instrument and that the signing
was a free act.

IN TESTIMONY WHEREOF, I have hereto subscribed my name and affixed
my seal this _____ day of _____, 2014.

Notary Public
My Commission Expires:

SIGNED AND ACKNOWLEDGED
IN THE PRESENCE OF:

LICENSEE:
RFP properties, Inc.

(Signature)

(Printed Name & Title)

State of Ohio)
) ss:
County of Erie)

Before me a Notary Public for the State of Ohio, appeared the above named _____, who acknowledged that they signed the foregoing instrument and that the signing was a free act.

IN TESTIMONY WHEREOF, I have hereto subscribed my name and affixed my seal this _____ day of _____, 2014.

Notary Public
My Commission Expires:

Instrument prepared by:

Donald C. Icsman
Ohio Supreme Court #0021435
Law Director
City of Sandusky

**LEGAL DESCRIPTION
ENCROACHMENT LICENSE AGREEMENT**

Situate in the State of Ohio, County of Erie, City of Sandusky, Ward 1, and being part of the southerly right-of-way of Shoreline Drive (formerly known as Railroad Street)(80 feet in width), all references herein to the records of the Erie County Recorder's Office, more particularly described as follows:

Beginning, for reference, at an iron pin found in a monument box marking the intersection of centerlines of Jackson Street (148.5 feet in width) and Shoreline Drive; thence, North $66^{\circ}15'12''$ East with the centerline of Shoreline Drive, a distance of 149.09 feet to a point; thence, South $23^{\circ}44'31''$ East through the southerly right-of-way of Shoreline Drive, a distance of 35.50 feet to a point and the **True Point of Beginning** for this description;

Thence, North $66^{\circ}15'12''$ East through said right-of-way, a distance of 19.67 feet to a point;

Thence, South $23^{\circ}44'31''$ East through said right-of-way, a distance of 4.50 feet to a point in the southerly right-of-way line of Shoreline Drive, the same being the northwesterly corner of lands of RFP Properties, Inc., D.V. 566, Pg. 967;

Thence, South $66^{\circ}15'12''$ West with said right-of-way line, lands of RFP Properties, Inc., RN 201300158 and with the north edge of a building, a distance of 19.67 feet to a point in the northeasterly corner of lands of James A. & Martha A. Bertsch, Trustees, O.R. 143, Pg. 613;

Thence, North $23^{\circ}44'31''$ West through the southerly right-of-way of Shoreline Drive, a distance of 4.50 feet the point of beginning, containing 88.52 square feet of land, more or less, subject to an easement for operation and maintenance of existing utilities.

Encroachment License Agreement
Page 2 of 2

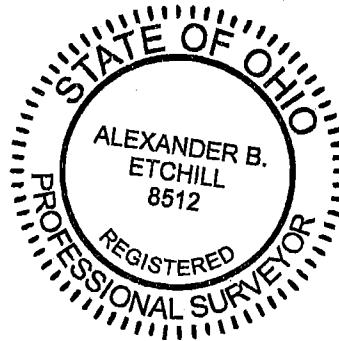
This description was prepared by Alexander B. Etchill, PS No. 8512 from a survey conducted in September, 2014. Bearings herein are based upon Grid North for NAD '83, Ohio State Plane North Coordinate System.

John Hancock & Associates, Inc.

Alexander B. Etchill

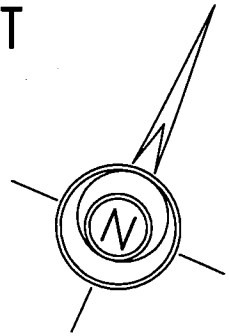
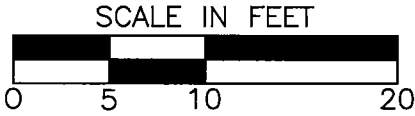
Alexander B. Etchill, PS

Date: SEPTEMBER 25, 2014

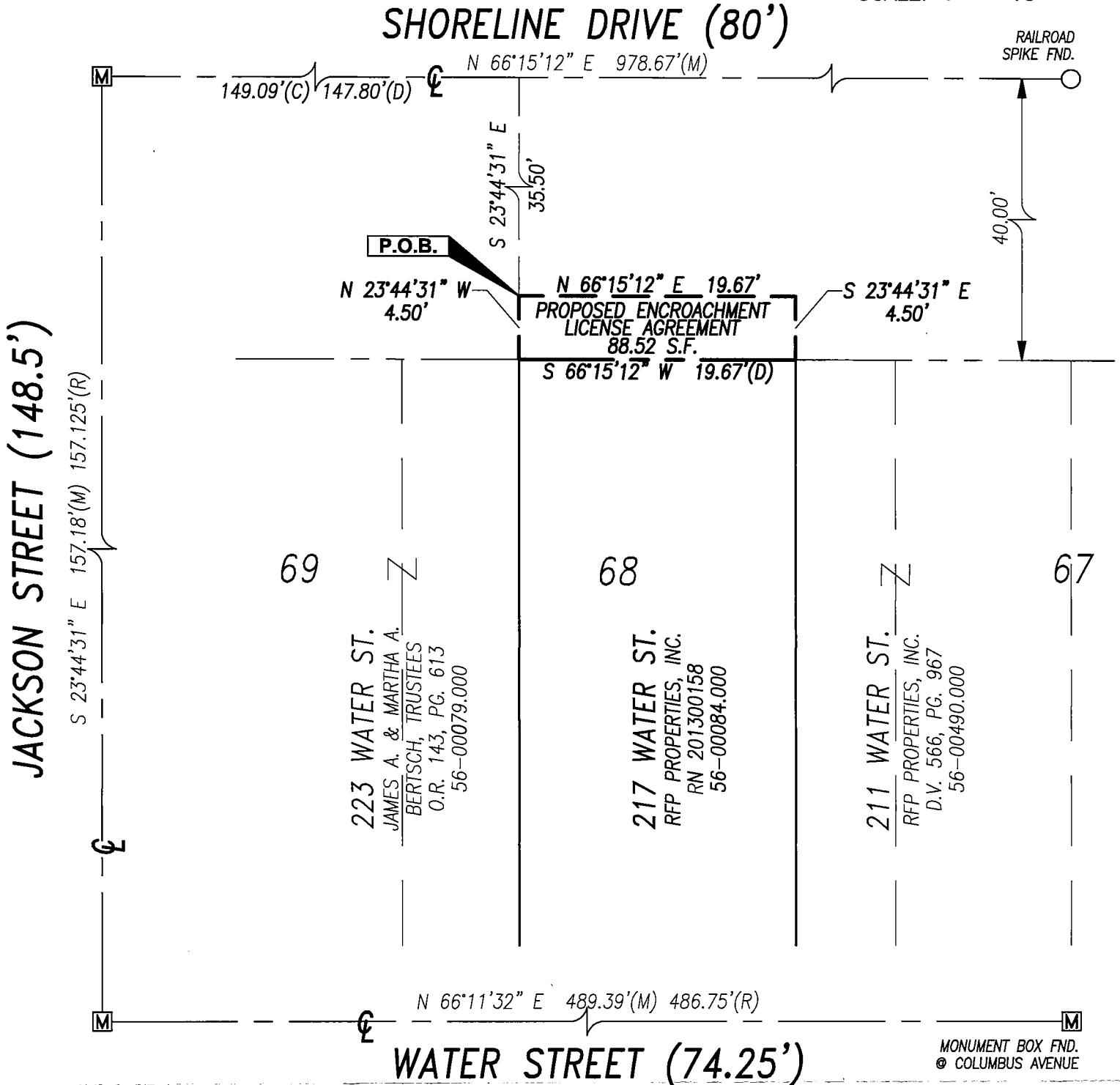


ENCROACHMENT LICENSE AGREEMENT

SOUTHERLY SIDE OF SHORELINE DRIVE RIGHT-OF-WAY
WARD 1, CITY OF SANDUSKY, ERIE COUNTY, OHIO



SCALE: 1" = 10'



BEARINGS HEREON ARE BASED UPON GRID NORTH FOR NAD '83, OHIO STATE PLANE NORTH COORDINATE SYSTEM.

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM AN ACTUAL FIELD SURVEY OF THE PREMISES CONDUCTED BY ME PURSUANT TO CHAPTER 4733-37 OF THE OHIO ADMINISTRATIVE CODE.

Alexander B. Etchill
ALEXANDER B. ETCHILL, P.S.
OHIO R.L.S. 8512

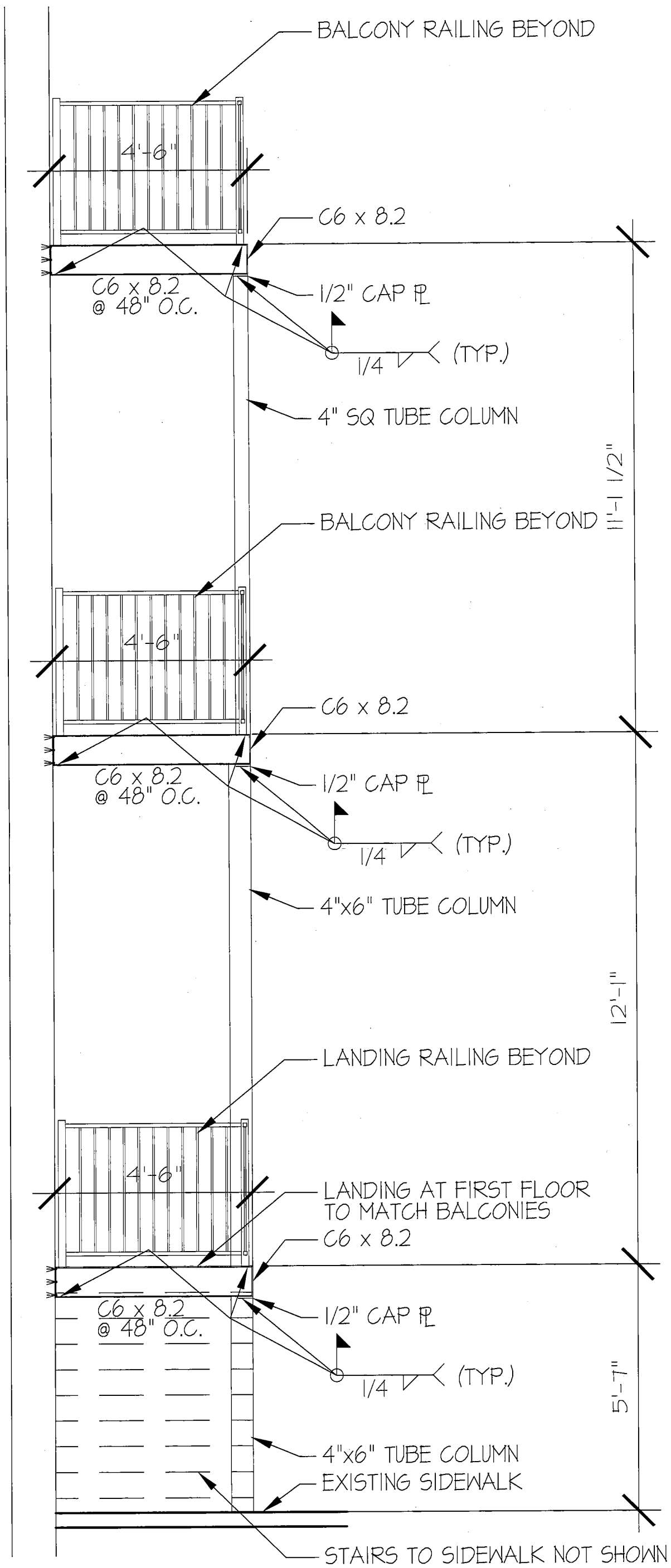
DATE: SEPTEMBER 25, 2014
JOB NO.: 225914 DWG NO.: 2259-SURV
SURV'D: JAG, MTW DRAWN: DMM CHK'D: ABE

NOTE: BLOCK HAS BEEN PRORATED USING MONUMENTS FOUND IN THE CENTERLINES OF THE SURROUNDING STREETS AS SHOWN



SURVEY FOR:
ROBERT W. SCHAEFER CONSTRUCTION
428 BAY BREEZE DRIVE
SANDUSKY, OH 44870

John Hancock & Associates
INCORPORATED
ENGINEERS - SURVEYORS
326 E. MARKET STREET SANDUSKY, OHIO 44870
(419) 625-7838



(C) BALCONY SECTION

S1 SCALE: 1/4" = 1'-0"



**DEPARTMENT OF FINANCE
HANK S. SOLOWIEJ, CPA, FINANCE DIRECTOR**

222 Meigs Street
Sandusky, Ohio 44870
Phone (419) 627-5888
Fax (419) 627-5892

TO: City Commission
FROM: Hank S. Solowiej, CPA, Finance Director
DATE: October 16, 2014
RE: Commission Agenda Item

ITEM FOR CONSIDERATION:

A two year agreement with the State of Ohio, Office of the Auditor, Local Government Services Division (LGS), for the completion of the December 31, 2014 and 2015 Comprehensive Annual Financial Report.

The City is required to complete an annual financial report that conforms to Generally Accepted Accounting Principles (GAAP) every year. Sandusky has prepared a Comprehensive Annual Financial Report (CAFR) for many years and has been recognized by the national and Ohio Governmental Finance Officers Association as a recipient of the Certificate of Achievement for Excellence in Financial Reporting. The Governmental Accounting Standards Board (GASB) establishes the guidelines for preparing this report and there are regular technical changes required that make it difficult for the staff of the department to prepare this report along with other regular duties without external assistance.

BUDGETARY INFORMATION:

The total cost will be an amount not to exceed \$28,000 for each year. The cost will be distributed to the General Fund (\$14,000), Water Fund (\$7,000), & Sewer Fund (\$7,000). The prior ordinance was passed by City Commission on December 26, 2012 (Ordinance No. 12-137) that covered the 2012 and 2013 Comprehensive Annual Financial Reports. There is no increase in the cost.

ACTION REQUESTED:

It is requested that the City Commission approve the necessary legislation under suspension of the rules in accordance with Section 14 of the City Charter in order to meet the deadlines associated with this report.

CC: Donald C. Icsman, Law Director
Eric L. Wobser, City Manager

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THE STATE OF OHIO, OFFICE OF THE AUDITOR, FOR THE PREPARATION OF THE DECEMBER 31, 2014, AND DECEMBER 31, 2015, COMPREHENSIVE ANNUAL FINANCIAL REPORTS; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, the City is required to complete an annual financial report that conforms to Generally Accepted Accounting Principles (GAAP) every year; and

WHEREAS, the City has prepared a Comprehensive Annual Financial Report (CAFR) for many years and has been recognized by the national and Ohio Governmental Finance Officers Association as a recipient of the Certificate of Achievement for Excellence in Financial Reporting; and

WHEREAS, the Governmental Accounting Standards Board (GASB) establishes the guidelines for preparing this report where there are regular technical changes required that make it difficult for the Department staff to prepare this report along with other regular duties without external assistance; and

WHEREAS, the cost for the preparation of the report for each year is an amount not to exceed \$28,000.00 of which \$14,000.00 will be paid with General Funds, \$7,000.00 will be paid with Water Funds and \$7,000 will be paid with Sewer Funds; and

WHEREAS, this Ordinance should be passed as an emergency measure under suspension of the rules in accordance with Section 14 of the City Charter in order to meet the deadlines associated with the Comprehensive Annual Financial Report and provide notification of approval by December 1, 2014; and

WHEREAS, in that it is deemed necessary in order to provide for the immediate preservation of the public peace, property, health, and safety of the City of Sandusky, Ohio, and its citizens, and to provide for the efficient daily operation of the Municipal Departments, including the Finance Department of the City of Sandusky, Ohio, the City Commission of the City of Sandusky, Ohio finds that an emergency exists regarding the aforesaid, and that it is advisable that this **Ordinance** be declared an emergency measure which will take immediate effect in accordance with Section 14 of the City Charter upon its adoption; and NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF SANDUSKY, OHIO, THAT:

Section 1. The City Manager is authorized and directed to enter into an agreement with the State of Ohio, Office of the Auditor, for the preparation of the December 31, 2014, and December 31, 2015, Comprehensive Annual Financial Reports at a cost not to exceed Twenty Eight Thousand and 00/100 Dollars (\$28,000.00) for each year for a total amount **not to exceed** Fifty Six Thousand and 00/100 Dollars (\$56,000.00). Said services and the cost thereof shall be furnished and calculated in accordance with the contract, a copy of which is attached to this Ordinance marked Exhibit "A" and specifically incorporated as if fully rewritten herein.

Section 2. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 3. This City Commission finds and determines that all formal actions of this City Commission concerning and relating to the passage of this Ordinance were taken in an open meeting of this City Commission and that all deliberations of this City Commission and of any of its committees that resulted in those formal actions were in meetings open to the public in compliance with the law.

Section 4. That for the reasons set forth in the preamble hereto, this Ordinance is hereby declared to be an emergency measure which shall take immediate effect in accordance with Section 14 of the City Charter after its adoption and due authentication by the President and the Clerk of the City Commission of the City of Sandusky, Ohio.

DENNIS E. MURRAY, JR.
PRESIDENT OF THE CITY COMMISSION

ATTEST: _____
KELLY L. KRESSER
CLERK OF THE CITY COMMISSION

Passed: October 27, 2014



Dave Yost • Auditor of State

October 9, 2014

Hank S. Solowiej, Finance Director
City of Sandusky
222 Meigs Street
Sandusky, Ohio 44870

Dear Mr. Solowiej:

This letter is to confirm our understanding of the terms and objectives of our engagement with the City of Sandusky and the nature and limitations of the services we will provide.

We will provide the following services:

Using our conversion software and information provided by the City, the Local Government Services Section of the Office of the Auditor of State (LGS) will compile the basic financial statements for the City of Sandusky for the years ending December 31, 2014, and 2015.

LGS is responsible for conducting this engagement in accordance with the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements. We will utilize information that is the representation of management without undertaking to obtain any assurance that there are no material modifications that should be made to the financial statements in order for the statements to be in conformity with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board.

A compilation differs significantly from a review or an audit of financial statements. A compilation does not contemplate performing inquiry, analytical procedures, or other procedures performed in a review. Additionally, a compilation does not contemplate obtaining an understanding of the City's internal control; assessing fraud risk; tests of accounting records by obtaining sufficient appropriate audit evidence through inspection, observation, confirmation, the examination of source documents (for example, cancelled checks or bank images); or other procedures ordinarily performed in an audit. Accordingly, LGS will not express an opinion or provide any assurance on the financial statements.

If for any reason we are unable to complete the compilation of the City's financial statements, we will not issue a report on such statements as a result of this engagement. Subsequent to the completion of the compilation, LGS will provide technical assistance in assembling the City's Comprehensive Annual Financial Report (CAFR). LGS will not issue a compilation report.

Local Government Services Section
88 East Broad Street, Fourth Floor, Columbus, Ohio 43215-3506
Phone: 614-466-4717 or 800-345-2519 Fax: 866-882-0004
www.ohioauditor.gov

RECEIVED
SANDUSKY FINANCE
2014 OCT 14 AM 11:12

Rather, we will provide a “management only” copy of the compiled financial statements for management to submit to your auditors.

The City of Sandusky remains responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board. It is therefore the responsibility of the City to be in a position in fact and appearance to make informed judgments while reviewing, evaluating, and approving the services provided under this engagement. It is also the City’s responsibility to establish and maintain internal controls, including monitoring ongoing activities.

To demonstrate that the City is fulfilling these responsibilities, the following safeguards will be observed. The City will designate a management level individual to be the primary contact accountable for overseeing this engagement and who will take responsibility for the appropriateness of the results of this engagement. If the City has determined that someone other than the individual with whom we worked last year will fulfill this role, the City must submit documentation to support the new designee’s knowledge and capability to perform this function. We will meet with this individual periodically to update our progress and to allow the individual to monitor engagement performance to ensure it meets management’s objectives. This individual will perform all management functions and make all management decisions related to this conversion and compilation and will accept full responsibility for such decisions. Accordingly, this individual will review and approve all proposed adjustments before they are entered in the conversion software. Finally, this individual will evaluate the adequacy of the services performed under this engagement by the Local Government Services Section of the Office of the Auditor of State.

Management is responsible for making all financial records and related information available to LGS. The hours of service offered in this letter are based upon the following information being provided by the City of Sandusky:

1. Information required to confirm appropriate fund classification and major fund status;
2. Information regarding estimated revenues and appropriations for use in the preparation of budgetary statements, including original budget amounts for all funds required to be presented in the basic financial statements and documentation to insure that financial records are in agreement with amended certificates requested and appropriations passed by the City Commission during the year;
3. A current, complete, and appropriately classified record of all cash receipts and disbursements made during the year, along with bank reconciliations of all City funds and bank accounts as of year end;
4. Documentation for receivables including taxes, intergovernmental, and accounts receivable, inventory, and prepaid items as of year end;
5. The balances for all governmental capital assets by program and type and proprietary capital assets by fund and type as of the beginning and end of the year, including appropriate information regarding accumulated depreciation, as well as current year

- additions (including accounts charged for related expenditures) and deletions (including any related proceeds and accumulated depreciation on the deleted asset). In addition, information is required that presents depreciation expense by fund and type for proprietary capital assets and by program and type for general capital assets for the year;
6. Information regarding accrued salaries, compensated absences (both current and long-term), accounts payable, workers' compensation, retirement, and other current and long-term liabilities as of year end;
 7. Information regarding short-term debt (notes) including a schedule of changes in short-term debt that details balances at the beginning and end of the year, increases and decreases, and the purpose for which the short-term debt was issued;
 8. Information regarding long-term debt balances as of the beginning and end of the year and information regarding additions and payments that occurred during the year. Information that details issuance costs, premiums, and discounts for additions should be identified separately.
 9. Copies of amortization schedules that distinguish between principal and interest for each outstanding debt issue;
 10. Information to support necessary modified accrual and accrual adjustments at year end;
 11. Information regarding transfers by fund including the amount and purpose for each transfer;
 12. The transmittal letter and statistical section; and
 13. Management's Discussion and Analysis.

It is important that you provide financial records that balance and documentation that is adequate to support the necessary journal entries. If we discover inadequacies in the records or documentation you provide, we will return the information to you for correction.

All documents provided to LGS in connection with our services including financial records and reports, payroll records, employee rosters, health and medical records, tax records, etc. must be redacted of any personal information before submission. Personal information is defined as social security numbers, dates of birth, drivers' license numbers, or financial institution account numbers associated with an individual. The City shall redact all personal information from electronic records before they are transmitted to LGS. This information should be fully blacked out in all paper documents prior to sending them to LGS. If personal information cannot be redacted from any records or documents, the City must identify these records to LGS prior to their submission.

If redacting this personal information impairs the ability of LGS to provide the contracted services, the City and the Auditor of State's Office will consider these exceptions on a case-by-case basis. Additionally, if redacting this information creates hardship on the City in terms of resources, recordkeeping, or other issues, the City and LGS may collaborate on alternative methods of providing the City's data to LGS without compromising the personal information of individuals served or employed by the City.

As part of the annual financial report, you will be required to prepare a Management's Discussion and Analysis (MD&A). LGS assistance with respect to the MD&A will be limited to reviewing the MD&A to determine that all required topics have been addressed and to insure that the amounts presented in the MD&A match the amounts presented in the financial statements.

During the course of the compilation, from financial records and supporting documentation you provide, LGS will propose journal entries for the preparation of the basic financial statements, review records and other information to determine whether data is being gathered at the required level to permit the preparation of the financial statements, enter usable information from the prior year trial balances to the trial balances that will be used for the year being reported, and input approved journal entries into the trial balances. LGS will also discuss with you the requirements for budgetary presentations and assist in the identification of original budgetary information.

LGS assistance with respect to capital assets will be limited to explaining the information necessary for report preparation. If additional assistance in the review of policies or significant guidance related to the calculation of capital assets is required, this engagement will need to be amended.

All work papers prepared by the Office of the Auditor of State will remain the property of the Auditor of State. Accordingly, we are responsible for their care and custody. At the conclusion of the project, we will provide copies of any of the work papers you would like to have for your records. However, the work papers should not be regarded as a part of, or a substitute for, your accounting records.

Management is responsible for identifying and ensuring the City complies with all laws and regulations applicable to its activities. Management is also responsible to prevent and detect fraud. Our engagement cannot be relied upon to disclose errors, fraud, or illegal acts that may exist. However, we will inform the appropriate level of management of any material errors, and of any evidence or information that comes to our attention during the performance of our compilation procedures that fraud may have occurred. In addition, we will report to you any evidence or information that comes to our attention during the performance of our compilation procedures regarding illegal acts that may have occurred, unless they are clearly inconsequential.

It is estimated that 560 hours will be needed to complete this project for 2014 and 2015. Our fees for these services will be billed monthly to the City of Sandusky at a rate of \$50 per hour and the total cost is not anticipated to exceed \$28,000 each year. If additional time or services should be necessary, we will notify the City of Sandusky regarding any amendment to this contract that may be required.

Upon a thirty day written notice, either party may terminate this agreement for any reason. Such notice shall be sent by U.S. mail or by personal delivery to the Auditor of State, Local Government Services Section, 88 East Broad Street, Fourth Floor, Columbus, Ohio 43215-3506. In the event of such termination, the Auditor of State shall be compensated at the contractually agreed upon rate for any and all work done to the date of such notice.

Hank S. Solowiej, Finance Director
City of Sandusky
Page 5 of 5

If you are in agreement with the terms of this contract, please sign and certify this engagement letter in the appropriate places and return it to me no later than December 1, 2014. If we do not hear from you by December 1, 2014, we will assume the City of Sandusky does not wish to contract the services of the Local Government Services Section of the Office of the Auditor of State. Should you have any questions concerning this letter, please do not hesitate to contact Belinda L. Miller, Chief Project Manager, at 1-800-345-2519.

Sincerely,

DAVE YOST
Auditor of State



Unice S. Smith
Chief of Local Government Services

We desire the Auditor of State's Office to perform the services described above and agree to the terms and conditions set forth in this letter.

THE CITY OF SANDUSKY

Date: _____

By: _____
City Manager

Ordinance No. _____

It is hereby certified that the amount of \$_____ required to pay this contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of the _____ Fund, free from any obligation or certification now outstanding.

Date: _____

Hank S. Solowiej, Finance Director

cc: Belinda L. Miller, Chief Project Manager
Gregory Glick, Chief Auditor