

John Hamilton called the meeting to order at 5 p.m. after the **Invocation** given by Pervis Brown, and the **Pledge of Allegiance**.

The clerk called **the roll** and the following Commissioners responded: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton.

Upon motion of Keith Grohe and second of Julie Farrar, the commission voted to excuse Diedre Cole. The President declared the motion passed.

City staff present: Todd Roth – Engineer, Jim Lang – Interim Police Chief, Paul Ricci – Fire Chief, Scott Miller – General Services Director, Carrie Handy – Planner, Don Rumbutis – IT Department, Don Icsman – Law Director, Nicole Ard - City Manager, Hank Solowiej – Finance Director and Kelly Kresser – Commission Clerk.

Upon motion of Pervis Brown and second of Jeff Smith, the commission voted to approve the minutes of the November 26, 2012 meeting and dispensed with the oral reading. The President declared the motion passed.

AUDIENCE PARTICIPATION (*agenda items only*)

None.

CURRENT BUSINESS

Upon motion of Pervis Brown and second of Wesley Poole, the commission voted to accept all communications. The President declared the motion passed.

ITEM #1 – Submitted by Carrie R. Handy, Chief Planner

ORDINANCE NO. 12-118: It is requested an ordinance be passed **vacating a portion of Pleasantview Place located west of Bennett Avenue and adjacent to Lot #3 Pleasantview Place with a total area of 0.0295 acres, within the city, as set forth on the vacation plat, a copy of which is marked Exhibit “A-2”, attached to this ordinance and incorporated herein;** and declaring that this ordinance shall take effect under suspension of the rules as contained in and in accordance with Section 13 of the city charter.

Upon motion of Pervis Brown and second of Julie Farrar, the commission voted to approve this ordinance according to Section 13 of the city charter. Roll call on the motion: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. Roll call on the ordinance: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. The President declared the ordinance passed.

ITEM #2 – Submitted by Victoria Kurt, Recreation Program Supervisor

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. 037-12R: It is requested a resolution be passed **approving and ratifying three (3) grant applications submitted to the Lake Erie Shores and Islands for fishing tournaments for the recreation department; 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.

Upon motion of Jeff Smith and second of Keith Grohe, the commission voted to approve this resolution according to Section 14 of the city charter.

Discussion: John Hamilton thanked Victoria Kurt for going after some of these fishing tournaments and bringing a couple of them back to Sandusky.

Roll call on the motion: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. Roll call on the resolution: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. The President declared the resolution passed.

ITEM #3 – Submitted by John T. Orzech, Lieutenant

Budgetary Information: The total amount of this expenditure is \$16,961.47. The funds for this expenditure are budgeted for in our 2012 police operating budget. The replacement cost is \$9,342.22 and the maintenance cost is \$7,619.25.

ORDINANCE NO. 12-119: It is requested an ordinance be passed **authorizing payment for replacement and maintenance costs pursuant to the 9-1-1 agreement between the City of Sandusky and Erie County;** and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Keith Grohe and second of Jeff Smith, the commission voted to approve this ordinance according to Section 14 of the city charter. Roll call on the motion: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. Roll call on the ordinance: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. The President declared the ordinance passed.

ITEM #4 - Submitted by Douglas A. Keller, Water Services Superintendent

Budgetary Information: Funds for this licensing fee are routinely included in the Big Island Water Works operating budget each year.

ORDINANCE NO. 12-120: It is requested an ordinance be passed **authorizing and directing the finance director to make payment to the State of Ohio Environmental Protection Agency for the renewal of the license to operate a public water system for the CY 2013;** and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Keith Grohe and second of Wesley Poole, the commission voted to approve this ordinance according to Section 14 of the city charter. Roll call on the motion: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. Roll call on the ordinance: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. The President declared the ordinance passed.

ITEM #5 - Submitted by Jeff Meinert, WWTP Superintendent

Budgetary Information: Funds for this discharge fee are routinely included in the Waste Water Treatment Plant operating budget each year.

ORDINANCE NO. 12-121: It is requested an ordinance be passed **authorizing and directing the finance director to make payment to the State of Ohio Environmental Protection Agency for the annual discharge fee for NPDES permit number 2PF00001 for the Waste Water Treatment Plant for the CY 2012;** and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Pervis Brown and second of Julie Farrar, the commission voted to approve this ordinance according to Section 14 of the city charter. Roll call on the motion: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. Roll call on the ordinance: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. The President declared the ordinance passed.

ITEM #6 – Submitted by Todd J. Roth, P.E., P.S.

Budgetary Information: The original contract price was \$168,743.36. The final contract cost including the deduct change order in the amount of \$11,486.21 is \$157,257.15, to be paid with the community development block grant funds.

ORDINANCE NO. 12-122: It is requested an ordinance be passed **authorizing and directing the city manager to approve the first and final change order for work performed by Precision Paving, Inc., of Milan, Ohio, for the 2012 city resurfacing program and to deduct the contract amount by \$11,486.21 in relation thereto;** and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Keith Grohe and second of Wesley Poole, the commission voted to approve this ordinance according to Section 14 of the city charter. Roll call on the motion: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. Roll call on the ordinance: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. The President declared the ordinance passed.

ITEM #7 – Submitted by Todd J. Roth, P.E., P.S.

Budgetary Information: The proposed estimated cost is \$145,640. All costs associated with this agreement will be initially paid by the city and reimbursed through the Clean Ohio Revitalization Funds.

ORDINANCE NO. 12-123: It is requested an ordinance be passed **authorizing and directing the city manager to enter into an agreement with the Mannik & Smith Group, Inc., of Maumee, Ohio, for certified professional services in relation to the Clean Ohio Revitalization Fund grant for the former Sandusky Cabinets property project;** and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Jeff Smith and second of Keith Grohe, the commission voted to approve this ordinance according to Section 14 of the city charter. Roll call on the motion: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. Roll call on the ordinance: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. The President declared the ordinance passed.

ITEM #8 – Submitted by Todd J. Roth, P.E., P.S.

Budgetary Information: Mr. Mularoni and Mr. Feick will be paid at the rate of \$55 per hour for work performed up to a maximum of \$5,000 each. The cost of these contracts will be paid with the building division operating budget. A portion of the plan review expense will be paid by the collection of plan review fees by the Department of Planning, Engineering and Development.

ORDINANCE NO. 12-124: It is requested an ordinance be **passed authorizing and directing the city manager to enter into a consulting contract with Scott J. Mularoni for CY 2013;** and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Pervis Brown and second of Jeff Smith, the commission voted to approve this ordinance according to Section 14 of the city charter. Roll call on the motion: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. Roll call on the ordinance: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. The President declared the ordinance passed.

ORDINANCE NO. 12-125: It is requested an ordinance be passed **authorizing and directing the city manager to enter into a consulting contract with John A. Feick for CY 2013;** and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Pervis Brown and second of Jeff Smith, the commission voted to approve this ordinance according to Section 14 of the city charter.

Discussion: Julie Farrar asked if John Feick will be taking the place of Don Waggoner and Don Icsman acknowledged he is.

Roll call on the motion: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. Roll call on the ordinance: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. The President declared the ordinance passed.

ITEM #9 – Submitted by Todd J. Roth, P.E., P.S.

Budgetary Information: The cost for the Trimble unit is \$10,955 which is on the Ohio state term schedule. The City of Sandusky pays an annual fee to the Cooperative Purchasing program which allows the city to participate in the cost savings of buying goods and services through state contracts without going through a formal bidding process. The purchase price will be split between five departments: fire, sewer, water, engineering and street. The five departments will pay \$2,191 each with the street department funding being split 50% (\$1,095.50), street department and 50% (\$1,095.50) state highway funds.

ORDINANCE NO. 12-126: It is requested an ordinance be **passed authorizing and directing the city manager to purchase one (1) Trimble GEOXH GPS handheld unit from Trimble Navigation Ltd., of Dayton, Ohio, through the State of Ohio Department of Administrative Services cooperative purchasing program;** and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Jeff Smith and second of Keith Grohe, the commission voted to approve this ordinance according to Section 14 of the city charter. Roll call on the motion: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. Roll call on the ordinance:

Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. The President declared the ordinance passed.

ITEM #10 – Submitted by Todd J. Roth, P.E., P.S.

Budgetary Information: Funds for the purchase of these items are routinely included in the operating budgets of the water and sewer plants.

CONTRACT #1/ORDINANCE NO. 12-127: It is requested an ordinance be passed **authorizing and directing the city manager to purchase 9,000 gallons, more or less, of liquid sodium permanganate from Bonded Chemicals of Columbus, Ohio, for use at the Big Island Water Works Plant during the calendar year 2013;** and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Keith Grohe and second of Wesley Poole, the commission voted to approve this ordinance according to Section 14 of the city charter. Roll call on the motion: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. Roll call on the ordinance: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. The President declared the ordinance passed.

CONTRACT #2/ORDINANCE NO. 12-128: It is requested an ordinance be passed **authorizing and directing the city manager to purchase 18,000 gallons, more or less, of hydrofluosilicic acid from Bonded Chemicals of Columbus, Ohio, for use at the Big Island Water Works Plant during the calendar year 2013;** and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Pervis Brown and second of Jeff Smith, the commission voted to approve this ordinance according to Section 14 of the city charter. Roll call on the motion: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. Roll call on the ordinance: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. The President declared the ordinance passed.

CONTRACT #3/ORDINANCE NO. 12-129: It is requested an ordinance be passed **authorizing and directing the city manager to purchase 40,500 gallons, more or less, of sodium hydroxide liquid from JCI Jones Chemicals of Barberton, Ohio, for use at the Big Island Water Works Plant during the calendar year 2013;** and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Keith Grohe and second of Wesley Poole, the commission voted to approve this ordinance according to Section 14 of the city charter. Roll call on the motion: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. Roll call on the ordinance: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. The President declared the ordinance passed.

CONTRACT #4/ORDINANCE NO. 12-130: It is requested an ordinance be passed **authorizing and directing the city manager to purchase 90,000 gallons, more or less, of sodium hypochlorite from Bonded Chemicals of Columbus, Ohio, for use at the Big Island Water Works Plant during the calendar year 2013;** and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Pervis Brown and second of Jeff Smith, the commission voted to approve this ordinance according to Section 14 of the city charter. Roll call on the motion: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. Roll call on the ordinance: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. The President declared the ordinance passed.

CONTRACT #5/ORDINANCE NO. 12-131: It is requested an ordinance be passed **authorizing and directing the city manager to purchase 667 tons, more or less, of aluminum sulfate polymer blend liquid from Applied Specialties of Avon Lake, Ohio, for use at the Big Island Water Works Plant during the calendar year 2013;** and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Jeff Smith and second of Pervis Brown, the commission voted to approve this ordinance according to Section 14 of the city charter. Roll call on the motion: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. Roll call on the ordinance: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. The President declared the ordinance passed.

CONTRACT #6/ORDINANCE NO. 12-132: It is requested an ordinance be passed authorizing and directing the city manager to purchase 40,700 pounds, more or less, of powdered activated carbon from Prominent Systems of Huston, Texas, for use at the Big Island Water Works Plant during the calendar year 2013; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Keith Grohe and second of Jeff Smith, the commission voted to approve this ordinance according to Section 14 of the city charter.

Discussion: John Hamilton asked about the price/cost difference from this company which is located in Texas (much less than nearby companies) and asked if freight had an adverse effect. Todd Roth said a call was made to verify this price and the company is comfortable with the price they bid; he does not know how their costs are so much lower.

Roll call on the motion: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. Roll call on the ordinance: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. The President declared the ordinance passed.

CONTRACT #7/ORDINANCE NO. 12-133: It is requested an ordinance be passed authorizing and directing the city manager to purchase 240,000 pounds, more or less, of ferrous chloride solution from International Steel Services of Pittsburgh, Pennsylvania, for use at the Waste Water Treatment Plant during the calendar year 2013; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Pervis Brown and second of Keith Grohe, the commission voted to approve this ordinance according to Section 14 of the city charter. Roll call on the motion: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. Roll call on the ordinance: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. The President declared the ordinance passed.

CONTRACT #8/ORDINANCE NO. 12-134: It is requested an ordinance be passed authorizing and directing the city manager to purchase 70,000 pounds, more or less, of polymer liquid from Polydyne, Inc., of Riceboro, Georgia, for use at the Waste Water Treatment Plant during the calendar year 2013; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Keith Grohe and second of Jeff Smith, the commission voted to approve this ordinance according to Section 14 of the city charter. Roll call on the motion: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. Roll call on the ordinance: Yeas: Wesley Poole, Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 6. The President declared the ordinance passed.

CITY MANAGER'S REPORT

Nicole Ard said the chemicals (Item 10) are bid by the city, and are made available to Erie County and Huron; she wanted everyone to be aware the city participates in joint activities.

Upon motion of Jeff Smith and second of Pervis Brown, the commission voted to accept a donation from Stein Hospice in the amount of \$691.68 for the Stein Hospice trees in the downtown. The President declared the motion passed.

Nicole Ard said a rendering was distributed of the new entrance sign at Lions Park and thanked the Sandusky Lions Club for their offer to donate \$15,150 for this signage. Nicole Ard said the city will work with them on a spring installation. Upon motion of Keith Grohe and second of Julie Farrar, the commission voted to accept a donation in the amount of \$15,150 from the Sandusky Lions Club for new signage at Lions Park. The President declared the motion passed.

Nicole Ard said staff participated in a recent **Transportation Advisory Committee** with other local government officials. The county and other not-for-profit organizations are looking at transportation services and a grant was received earlier in the year.

Nicole Ard said information will be presented regarding the **Paper District Marina** and other activities and **thanked Todd Roth for his support of the city as he will be leaving soon**, but said the city has moved a long way over the past couple of years under his direction.

Nicole Ard said in the next month or so, the city will be seeing forward movement regarding **online public comment(s) with a website that helps local governments provide information and online comments**. This will be beneficial for persons who are unable to participate in person at city commission meetings. Planning staff has indicated this will be a great help to them in managing feedback. Wesley Poole said the **social media and an online public comment service** is a great initiative and he is glad to see it. Wesley Poole said he would like to bring this to the public's attention and to pay close attention to it.

Nicole Ard said there was an offer from a private service provider to offer water **taxi service along Sandusky Bay** and she is working to see if this can be done to promote the entertainment district on the waterfront.

Todd Roth said people have asked about the **Keller Building** for some time and pricing has been obtained to remove the water tower. The MOA expired and the city has taken precautionary steps by removing the chimney stack. The water tower can either be preserved or scrapped and it will cost approximately \$40,000 to remove the water tower in pieces and be transported to a temporary location or preserved for the future. The price for a fence is a temporary measure coming from corners of the building on the north side and extending out into the current parking spaces on Shoreline Drive which are closed off for safety reasons. The north wall is deteriorating because there are no gutters. Some of the roof material was taken down years ago and damage to the roof will continue with freeze and thaw cycles. The northwest leg of the tower is supported by the column and the wall is deteriorating around the column. Todd Roth said this is going to grow in concern and when the tower is removed (whether now or a year from now), one minor change can happen in just a day. The suggestion is - at the very least - to remove the water tower from the building as it is a potential hazard and he (Todd) recommends moving forward in this direction. There have been discussions about development and there is nothing to say this cannot stop, but enough is enough. This is a liability that needs to be addressed now and the question of how it is to be paid for has been asked. Hank Solowiej said this came up initially with the marina and concession agreements as the city was limited what arrangements could be made with an operator because of the structure of the debt service on the facility. It is tax exempt general obligation debt for the urban renewal area (Paper District Marina, Chesapeake Lofts and the Keller Building). The IRS regulations provide for qualified or short-term management contracts for tax exempt, general obligation debt and there are certain rules that have to be followed. Once the city learned the current operator was interested in a longer term deal and the debt structure could not be done differently, we started to look at other options. Hank Solowiej said the city can either change the structure of the debt to allow more flexibility, not only with the marina and concession operations, but to give the city manager and city commission the greatest flexibility with the Keller Building. Hank Solowiej said the city has a history of needing the general obligation backing to sell the debt and an ordinance was passed to try and sell it without it but there were not buyers. This is like a security investment for bankers showing the city would be good for the money and after numerous calls, there is a bank willing to work with the city in modifying the structure of the debt making it a taxable issue without general obligation backing. Hank Solowiej said this means the flexibility the city gets on marina operations, concession operations and removal of the Keller Building if the debt structure changes. Initially there were not a lot of cash flows to show what would come in to help pay the debt; the last four years the city has averaged about \$574,000 from the project to pay outstanding debt service. If there is a bank willing to do this, we can use this money to remove the Keller Building. Support and feedback from the commission is important as this is a big decision. There currently is \$2.5 million outstanding in a one year note and it is due April 3, 2013; legislation will be presented in January or February to either reduce or increase our borrowing and he (Hank) would like some direction from the commission (i.e. continue to solicit bids to remove the building and use cash flow stream to help pay for it?). Todd Roth said as far as development or preservation of the building, there is an option to repair and bring the exterior back up to a condition that would preserve it further. He would not like to see this prolonged. Nicole Ard said this provides another option to preserve the building, a portion of the building, or to entertain additional proposals from developers or remove the building. There is an environmental cleanup aspect which still needs to be looked into in order to move forward regardless of the potential outcome. There are now more options than previously presented including seasonal dockage and increased revenues, and this is one avenue to try to do this. Todd Roth said he would be

glad to share the Keller Building files and estimates that were prepared in 2002 as well as environmental concerns and bid specifications prepared in 2006. Todd Roth said he is looking for direction as to how to move forward and at a minimum is suggesting removing the water tower from the building so the area can be better secured than it is now. Paul Ricci said the Sandusky Fire Department (SFD) has been involved with this building for quite some time. The Keller Building is vacant and in its current condition represents a significant fire risk to the downtown area, especially in this block. Because of its unsecured nature and openness to the environment and the seasons, each thaw and freeze cycle makes the building worse. This does present a formidable risk to exposure in event of a fire in this area of the city and the downtown compilation plan the SFD is working on is nearly complete and clearly identifies this building specifically as a component to being of catastrophic nature to the buildings affected by its presence and proximity. Paul Ricci said it is his recommendation to move forward with a plan to either rehabilitate or remove this building which is identified as a vacant building. The SFD is working on plans to provide additional water to this area to fight potential fires; this building in and of itself creates the greatest risk in the downtown area right now for the SFD. Todd Roth said the engineering department can move forward to provide costs for different options for the environmental concerns according to direction given by the city commission. Nicole Ard asked if there is a timeline with the bond process and Hank Solowiej said the notes will be due April 3, 2013, so legislation will need to be to the commission in February to allow enough time for pricing. This is significant and will be supportive to staff as far as the city's bond rating. The tough decisions made in the last couple of years combined with having an investment banker willing to do business with the city without a general obligation backing is awesome and remarkable. The other questions regarding development or leaving this as a public space are not decisions that need to be made today; this is more of a long-term process and there is flexibility with this type of debt. Julie Farrar said she does not need any more time to talk about the Keller Building; this has been discussed for the five years she has been a commissioner. There is a lot of political footbaling going around with the Historical Society, developers and others. In her opinion, Julie Farrar said she would like the water tower removed from the building and taken to the amphitheatre. This could be named the Keller Amphitheatre and would preserve a piece of the Keller Building in downtown and in the exact area where the building will be torn down. Julie Farrar said more developers will come into the area on a property that is flat and clean rather than those looking for tax credits and extra things from the government and the city. There have been too many opportunities that have tried and failed, meetings with developers, and it is a shame. Julie Farrar said Sandusky is moving forward and this is great, but she believes the Keller Building does not have a brick to stand on. There are issues because of roping off Shoreline Drive, people who have gotten too close to the building and caused litigation, and this is a nightmare for the city. In its heyday, this probably was a beautiful building but it has not been for the last five years. Julie Farrar said she has toured the building and it is awful. The water tower should be restored and preserved and she hopes the city can get help from the Historical Society to keep a piece of the building in the downtown for historical purposes. Pervis Brown said this building should be torn down tomorrow; it was useful previously, but it is endangering our citizens and members of the fire department and they should be protected. Developers have come in and promised different things, but we now have a building in jeopardy of harming our citizens (falling brick) and as commissioners, a decision needs to be made right now. Keith Grohe asked Todd Roth the cost(s) to tear the building down versus rehabbing it. Keith Grohe asked if some of the materials could be recycled to lower the cost and Todd Roth said he would encourage the commission to pursue it this way, similar to the Sandusky Cabinets and Apex properties. Todd Roth said there is steel in the east end, the wood structure on the west side is badly deteriorated, and bidders can include recycling materials to keep the costs down as much as possible. This will have to be contained. It is possible some of the stone, sandstone and brick could also be sold and there is value here; the city needs to find the right contractor to help keep the price down. There are environmental concerns which will have a cost as well and an earlier estimate was approximately \$490,000 and he does not know if this includes everything in terms of salvageable materials. This may be just a hard price to take the building down and remove everything. Keith Grohe said either way there are environmental concerns and the city is stuck with this cost. Todd Roth said he is looking for some direction as the studies were done prior to 2002 and to verify current costs associated with abatements, he would like to know what direction the city commission would like to take this first.

Upon motion of Jeff Smith and second of Pervis Brown, the commission voted to authorize the city engineer to move forward with the process to get bid specifications and obtain costs to demolish the Keller Building.

Discussion: Julie Farrar asked Jeff Smith to include the restoration of the water tower in his motion but Jeff Smith said this would add \$40,000 to the cost and he would like to do this at a different time. Wesley Poole said the commission is being asked to restructure the debt and from this restructure, there are options. Wesley Poole asked how soon this money would be available to be spent if the commission did this as it sounds to him like a future possibility. Hank Solowiej said it would be next year

and the city would have to pay off the current debt which goes through April 3, 2013. New notes would be available after this and would allow the city manager to have more flexibility with Dockside Hospitality as they are looking for a longer term lease. Wesley Poole asked when the city will have the money to remove the tower or if this will happen later and Hank Solowiej said this could happen at the same time. Todd Roth said if the plan is to look at the project as a whole, he would save the water tower for that, but he would not let a lot of time go by in the process. He can get someone in to reevaluate the building and the abatement. If the city so chooses, the project can then be put out for bid, keeping development in mind. Nicole Ard said the costs regarding the water tower might go down if someone is able to scrap the material. The difficulty with transporting the water tower structure through town is something to keep in mind. Nicole Ard said Todd Roth and Ed Dayringer actually went up on the roof to assess the water tower situation but this is another thing to keep in mind. Todd Roth said he met one contractor on site but recently measured the legs of the tower and the tank itself to determine if it could be removed from the roof and lowered to the ground; it is too large to be transported in one piece and lends itself to being cut up into pieces for reassembly at a later date. If it were to be relocated, traffic and other service lines would have to be removed and it would be very difficult to do this and keep the water tower in one piece. John Hamilton said he is more concerned about the debt restructuring and if more money will be borrowed from the new lender after the city services the existing debt. Hank Solowiej said if the city does nothing right now it would have a significant pay down on its debt (approximately \$2.5 million) and without any more projects, the city would be looking at paying about half a million dollars of it down. Hank Solowiej said without having debt service projects, eventually it would get returned to the tax rolls and the other property would not have the benefit of having a significant amount of cash flow and it could be used for other things. Hank Solowiej said it is rare to hear him say this, but it is actually a good idea to have more debt service for this project as the city will continue to get the cash flow while having debt service and for the past four years, this has been a pretty reliable stream of revenue to help pay the debt. Hank Solowiej said in the past he has filed a Certificate of Intent so if there was a situation where the funds actually had to be expended prior to the notes coming in, a document states the intent to borrow the money before the funds come in. Hank Solowiej said he has talked with the investment bankers and they are willing to close at any time, but he was trying to wait until closer to the notes mature in March as one more settlement will be available. This means more money would be available at the pay down of the current debt (closer to maturity). John Hamilton asked if it would be possible to increase the debt and as one citizen asked at the last meeting: how will the city get money for a new city building as the city does not have land. It seems there is an income stream here and this might be the location if a new city building is considered. Pervis Brown asked if there is a general idea of the value of this property if it were cleaned up and Hank Solowiej said it is hard to say; he would assume it would be worth more without the structure. John Hamilton said it might be about a half a million dollars to take the building down and it is estimated this would be a wash at this point. Hank Solowiej said the \$2.5 million note may be bumped up a little to give a bit of cushion as sometimes things come in a little more than expected. Hank Solowiej said the city would be looking at issuing about \$2.5 million - \$2.6 million on a five-year note where the city manager would have ultimate flexibility with the marina, concession stand and possible redevelopment of this property. Wesley Poole said he supports the restructuring proposal as it is. Wesley Poole asked about comments from the public and/or the Old House Guild members as this has been asked for quite some time. Nicole Ard said this was discussed this morning and asking the commission is part of the process to know what direction the city should go but she did not anticipate a vote would actually be called to demolish the building. The city should be able to continue to do the work regarding the bonds and research options. It is great folks are ready to move forward but we do not yet know the environmental costs, and other costs, and perhaps a viable option might be salvaging a portion of the building. Wesley Poole asked if a motion is required for staff to go out and find costs for a project. Don Icsman said prior to the motion, Todd Roth asked for direction from the commission; Jeff Smith made a motion to demolish the building and the commission has to vote on it. This is the direction the city engineer and city manager were looking for. Don Icsman said the question about the debt is separate from the decision of whether to utilize this revenue stream to preserve or demolish the building. It is significant dollars either way and the city is at the point where it will cost serious money to exercise either option. Jeff Smith said this is a matter of safety and it is the responsibility of the commission to keep its citizens safe and at this point, this building is not safe. He has seen people walk past the barricades. There have been developers in who talked about developing this area but this has not happened. Wesley Poole said he will vote no on the motion because since this has been on the table for discussion, there are persons in the community who have asked the city to find a way to keep the building. He is not opposed to tearing down the building but the opportunity should be given to folks to give one last comment about it. As a general rule, Wesley Poole said he will vote no all the time for the concept of coming through staff with motions of this significance to avoid the opportunity to provide the public the opportunity to speak. This is not the process he favors and this should have been on the agenda. John Hamilton said the motion is for the city to explore the costs to take the building down. Pervis Brown called for the vote.

Roll call on the motion: Yeas: Keith Grohe, Jeff Smith, Julie Farrar, Pervis Brown and John Hamilton, 5. Nays: Wesley Poole, 1. The President declared the motion passed.

OLD BUSINESS

Pervis Brown provided an update regarding the **Police Chief Selection Committee**. The committee met in December and the field of candidates was narrowed to seven. The next step is for these seven to respond to essay questions and the next meeting to review these is December 18. These will be submitted to the evaluators and narrowed down to provide names of three candidates to the city manager. Unfortunately, during the holidays, the assessors are unable to be secured to evaluate the candidates and this will take place after the first of the year. Pervis Brown said the seven candidates have been reviewed by the law director and meet the charter requirements.

John Hamilton said there are **openings on the city's Downtown Design Review Board, Cemetery Board and the Community Reinvestment Area Housing Council.**

NEW BUSINESS

None.

AUDIENCE PARTICIPATION

Sharon Johnson, 1139 Fifth Street, said she attended the Police Chief Selection Committee meeting and has concerns which she addressed with one commissioner and the law director. There was a teleconferencing call during the meeting as two members were absent; one member listened to the meeting and she is not clear if one of them voted. If there was a vote, this needs to be voted upon again or eliminated. Sharon Johnson asked for the criteria used to rank the candidates but has not yet received it. Sharon Johnson said she is concerned about secretive balloting as she did not hear any deliberations by the committee and did not know who each member voted for. Sharon Johnson asked if those members who were absent had voted and Pervis Brown said there was no voting. Sharon Johnson said there was a numbering system and Pervis Brown said there was not. Pervis Brown said the assignment was for each of the five members to go over the applications and bring back their top five names. Each one gave their top five and these were put together and not voted on; they were combined. Sharon Johnson said the two persons who were absent participated in this assignment and this is cutting hairs on the voting. Sharon Johnson asked the criteria for this (education, experience, number of persons they supervise, population) to be fair and balanced. Pervis Brown answered experience, knowledge and the ability to pick, and this is what they did. Sharon Johnson said she has a problem with two members voting when they were not there and Pervis Brown said three of the five members were present which is a quorum and this was not out of order and the business is official. Sharon Johnson said she does not understand this and Pervis Brown said he cannot help she (Sharon) does not understand this. Sharon Johnson said the same rules apply to committees as to what is done at a city commission meeting and is not run informally. Pervis Brown said he does not need a lecture about what needs to be done. The members were assigned a job, they did their job and the best candidates available for the job are out there and everyone wants to hen-peck what is done but there is no book that has a step-by-step. Sharon Johnson said there are sunshine laws and Pervis Brown said what is being done is right. Sharon Johnson said she wanted to voice her concerns about what she observed with the committee. Pervis Brown said this sounds like a legal question and Don Icsman said he talked to Andy Ouriel, Matt Westerhold, Sharon Johnson, Pervis Brown and Deb Leslie. Don Icsman said the law is clear: three people make up a quorum and can conduct business. These persons cannot vote if they are not present, but the fact is that one person wanted to participate by telephone and one submitted their choice on paper. Votes cannot be taken by proxy or by telephone. This shows conscientious participation by persons on the committee and they wanted to participate and give their input to fellow members of the committee. Don Icsman said he does not know if this person thought he was voting but everything that was done was done publicly and there was no secret meeting or vote. The three persons in attendance were the only ones who could vote and someone who asked to participate by phone shows his concern and how serious he takes the selection of the next police chief. A roll call was taken and this person could not be counted for this purpose (being present or voting) and Pervis Brown has said no one voted. Don Icsman said he did not attend the entire meeting but this is what Pervis Brown said and he (Don) has explained the law to everyone who has asked. Wesley Poole said there is a choice of seven persons which came from three persons' votes and for the city to have this process and people to have so many questions, he just wants them answered as he is tired of hearing this and would like to know the rules are being followed. Don Icsman said the minutes are not done and he was not present, but the people who did attend know more about what happened than he does. Don Icsman does not disbelieve what one of the commissioners and the clerk have told him as he does not have any firsthand knowledge this is not what happened. Wesley Poole said the Sandusky Register reported to the

community that five people made this decision and it appears there is confusion from those who attended and the community would like what occurs to be straight. Wesley Poole said he understands the legalities of a quorum but asked how Tonda Maceo and others voted and how the pool of qualified persons went from 23 to 7. Don Icsman said this is a different question and he believes one can look at the basic and preferred criteria in the advertisement and people were ranked according to this. Candidates were cut during the first meeting who did not meet the basic preliminary criteria (10 years, ranking at time of application). The next meeting is the one that just occurred and is where some preferred criteria were used to analyze those wanting to be the chief. Don Icsman said the term over-lawyering comes to mind here and whether or not a member wanted to participate. A member cannot vote if not present and this is the legal effect of not being there. The minutes will reflect what happened and two of the three people – the majority of a quorum – make decisions. Wesley Poole said he does not want to assume and Don Icsman said this is speculation-palooza; Wesley Poole said no one is speculating. Don Icsman said he was not there and does not have minutes and he is trying to do the best he can to answer everyone's questions.

Andy Ouriel, Sandusky Register, said as a point of clarification, he took a roll call of those who got the most votes and three of the candidates received at least four votes in the ranking system but there were only three members present. He said he was trying to ask if the persons who did not attend would have their votes nullified. His understanding is that the committee of three advanced these seven persons.

Tim Schwanger, 362 Sheffield Way, representing Save Our Shoreline Parks, asked if the TIF agreement will be impacted with the Sandusky City Schools by changing the obligation with the amount of information passed along regarding the debt obligation for the Paper District project. By changing this to a different scheme, he asked if this would open up money to be used in different areas or projects and Hank Solowiej said this would have to be used in the specified area. Tim Schwanger asked if these monies could be utilized for the Chesapeake Plazas and be tied in with the Keller Building demolition. Nicole Ard said at this point she would like to focus on the matter at hand which is the environmental and safety aspects and the potential to garner revenue at the marina. There is a whole world of possibilities. Tim Schwanger said he has expressed his feelings for a transient marina versus seasonal marina and he does not think the city has given the transient aspect of the Paper District Marina enough to show what it can do. The amphitheatre may all of a sudden take off and the city will lose the opportunity for seasonal dockage. John Hamilton said in the future, if more transient dockage is needed, this can be adjusted. Tim Schwanger said the city needs to give more opportunity to live out what can be at the marina rather than jumping the gun and changing it. John Hamilton said if there are vacant docks, why not? Tim Schwanger said they are vacant only because the city did not do a good job of marketing the marina and John Hamilton said the city fired the person marketing it and when the hole was being dug, no one discussed marketing the area for the following year.

Matt Morgan, 1219 East Perkins Avenue, owner of The Hero Zone, 127 East Market Street, said he would like to offer an introduction as he is in a rather unique position regarding the retention and attraction of younger people to the area. The Hero Zone attracts persons within the city as well as from other communities, including Canadians, to tournaments and events. Matt Morgan invited the city commissioners to visit and learn what younger people in the community think and what attracts and repels them. A very diverse group comes to the store regardless of ethnicity, religion or orientation; he has business owners, high school dropouts, men, women, blacks, whites, Asians, atheists and Catholics, but when they all come together, none of this matters and they have pure and honest conversations. Matt Morgan said he would like to offer his store for a coffee and will provide a youthful audience. He can also come to a committee meeting to offer opinions and share stories from a visceral, from-the-trenches point of view. Youth choose to come to The Hero Zone and spend money when they could be buying things online much cheaper. They choose to go downtown because of the things offered and he fosters and caters to the 18- to 30- year old demographic and this could be a well spring of ideas and opinions to help renew and restore downtown and increase the young adults working and living in Sandusky. Several have come to live in Sandusky because of the store itself and what it offers to the community. John Hamilton said he would be interested in working out a coffee meeting at The Hero Zone.

Upon motion of Keith Grohe and second of Julie Farrar, the commission voted to adjourn the meeting at 6:29 p.m. The President declared the motion passed.

Kelly L. Kresser
Clerk of the City Commission

John F. Hamilton
President of the City Commission