Minutes of the SPECIAL COUNCIL MEETING

Tuesday, September 5, 2017 at 10:00AM

Municipal Building, 121 Addison St.

AGENDA: OPWC Application

General Fund Information

1. Mayor Cooper calls Council to order and roll call is taken. Present are Wolfe, R. Ehrbar, M.Feyedelem, D. Kaminski,and P.Seeholzer.

G.Finger is absent at the opening of the meeting but enters later.

2. All rise and recite the Pledge of Allegiance to the Flag

Mayor Cooper is in opposition to the resolution on the agenda and does not read the title.

11.1 **~~RESOLUTION NO. 2017-R- \_\_\_\_\_\_: A RESOLUTION AUTHORIZING THE VILLAGE OF KELLEYS ISLAND TO PREPARE AND SUBMIT AN APPLICATION TO PARTICIPATE IN THE OHIO PUBLIC WORKS COMMISSION STATE CAPITAL IMPROVEMENT AND/OR LOCAL TRANSPORTATION IMPROVEMENT PROGRAM(S) AND DECLARING AN EMERGENCY.~~** ~~(INTRODUCED BY: MAYOR ARDEN COOPER)~~

Mayor Cooper says that he will use the application as a briefing paper. Treasurer Brown explains that she made changes to the fiscal officer’s certification page from what was presented to her. Brown eliminated a reference to issuing street funds because she had no indication that the Street Committee had agreed to the project and she also added that partial payment of the loan might be made from an assessment fund to give Council that option. According to the OPWC application, Brown had to put in the certificate the current cash available to the Water Dept. and she noted that the use of the current funds was $0 towards the cost of the project. The OPWC application requests a 50% grant and a 50% loan.

Patricia Hart says that the Huntington Lane/Road was dedicated as a public road by the Village of Kelleys Island in 1890.

10:20 am G. Finger takes his seat at the meeting.

Mayor Cooper says that there are a number of unresolved issues regarding the location of a new waterline and the rehabilitation of the road. He received a letter from Jack Thinnes in which Thinnes states that he owns to the middle of the road. This claim causes the Mayor to believe that some clarifications need to be done before any project on that road is started or a grant application is made. Wolfe says that if the Mayor can resolve the issues with the project he wants the Mayor to have the authority to sign the application.

Members of Council discuss and decide that they would want the project to be at least partially assessed. **Motion to do an assessed project for the loan/local cost of the Huntington Lane OPWC waterline project,** made by Finger, second by Seeholzer; all in favor; none opposed; motion passed.

Wolfe says that based on the satisfaction of the Mayor as to the ownership of the road, he would like the Mayor to have the authorization to sign the OPWC application. Council votes on the legislation, but since the title was never read the votes are not valid to pass the legislation. However, Council votes as follows:

Motion to suspend the three reading rule, made by Finger, second by Ehrbar; all voted yes.

Motion to pass as an emergency, made by Ehrbar, second by Wolfe; all voted yes.

In spite of the votes, no action was taken as the title of the resolution was never read.

12. General Fund discussion led by R. Ehrbar: Ehrbar says that instead of calling a separate Finance meeting and because he wanted all the Members of Council present so that everyone would be aware of the issues of revenue and expenditures in the General Fund. By 2020 the General Fund could be in trouble. The Village has continued to do negative spending for the last several years, which is depleting the carryover. Costs continue to increase and our funding through levies remains the same. Brown adds that the Village has revenue from inside millage for the General Fund and already has two levies outside of the 10 mills for the General Fund. Brown doubts that an additional levy could be passed for current expenses and that a new levy strategy should be avoided. Ehrbar continues that if Pierce Broadband puts up their tower and starts paying the village, that would increase the revenue for the General Fund. Sure site has also approached the Village about constructing a tower. Mayor Cooper says that Sure Site wanted to sign a lease with the Village but he decided that the Village should not sign another lease agreement until Pierce Broadband has built. The Solicitor and Mayor Cooper will go to Columbus to a meeting to discuss the Historic ramifications of building the tower. When Pierce Broadband is ready, the terms of the Village’s agreement are that the Village will receive $180,000 up front from Pierce Broadband. The requirements for a Conditional Use and the BZA request have all had successful outcomes on the Village side.

Ehrbar says that another consideration for the near future is the current audit. Brown explains that the State auditors claim that the Village should be having an annual GAAP audit, which would require a IPA. When Brown asked the cost of the current audit, now up to $18,500 without being finished, and if an annual audit would cost less, the response was that an annual audit would cost the same. Brown also asked how much an IPA might cost since the State auditors have the opportunity to see those costs, the estimate was $15,000 to $20,000 a year. Since the current audit might reach $20,000, if an IPA is added to the cost, the Village could have to spend $40,000 a year for audit costs instead of $20,000 every two years. This would not be sustainable.

Ehrbar adds that expenses continue to escalate upward in the Police Dept. and that is paid from the General Fund.

Brown says that Council will see legislation on the next Council agenda which is a clarification for the State auditors that Council has known and continues to know, and has received and continues to receive information about how employees are paid and from what funds, depending on where the employees have worked. Brown continues that without the use of funds in addition to the General Fund for payment of wages, the Village could not provide the services that it currently provides to the community. Since we are a small, isolated (by water) community with a low number of people available at a working age, many Village employees work in more than area, which is not a traditional employment scenario and not one that the State auditors may be used to seeing. The Solicitor also makes reference to employees having more than one work area in the legislation.

13. Motion to adjourn, made by Finger, second by Kaminski; all in favor; motion carried.