

# RECORD OF PROCEEDINGS

Minutes of

Minutes of the Vermilion City Council Meeting

Meeting

BARRETT BROTHERS - DAYTON, OHIO

Form 6101

Monday, February 12, 2018

Held

*Videos and minutes of council meetings are available to the public to view online at [www.vermilion.net](http://www.vermilion.net) under meeting videos/minutes.*

**Vermilion City Council:** Steve Herron, Council President; Monica Stark, Council at Large; John Gabriel, Ward One; Frank Loucka, Ward Two; Steve Holovacs, Ward Three; Barb Brady, Ward Four; Brian Holmes, Ward Five; G. Fisher, Certified Municipal Clerk.

**Administrative Staff:** Jim Forthofer, Mayor; Tony Valerius, Service Director; Ken Stumphauzer, Law Director; Chris Howard, City Engineer; Amy Hendricks, Finance Director.

### CALL TO ORDER:

Steve Herron, Council President called the Monday, February 12, 2018, Vermilion City Council Meeting to order.

### PLEDGE OF ALLEGIANCE:

The members of Council, administrative staff, and audience participants recited the Pledge of Allegiance followed with a moment of silence.

### APPROVAL OF MINUTES:

**S. Holovacs MOVED;** M. Stark seconded to approve the meeting minutes of January 22, 2018. Roll Call Vote 7 YEAS. **MOTION CARRIED.**

### CORRESPONDENCE:

G. Fisher read into the record correspondence received by Mayor Forthofer dated February 2, 2018, asking for council's consideration to approve his appointment of Dan Phillips of 1295 West River Road to the Zoning Board of Appeals. Mr. Phillips is a former Vermilion City Council member and has served on numerous city boards and commissions. Dan is a graduate of the Ohio State University with an Applied Accounting background. For years he and his family have owned and operated Valley Harbor Marina in Vermilion.

Secondly, council is in receipt of a letter dated February 12, 2018, from Norman Reuss of The Dry Dock relative to the possible location for a new Fire Station (No.1). Upon recent articles in the Vermilion Photojournal, some criteria mentioned included property that is large enough for a drive-thru building and located near the original fire station. Norman D. Reuss stated that his building (former Olive Factory) would be the ideal location. The property is almost an acre and is long enough for a drive-thru. It's centrally located with good street access at the corner of South Street and West River Road across the street from the city boat ramp where the fire department practices and tests equipment. The property is priced at \$269,000. Even with the additional cost of tearing down the building, it could still be within the department's budget. Norman Reuss advised council that if they have any interest in this offer of a proposed site for the new fire station, they could contact him at 440-967-4362.

### PRESIDENT OF COUNCIL'S REPORT:

S. Herron asked members of the community to keep law enforcement in their prayers due to the terrible tragedy that happened this past weekend in Westerville. This is a constant reminder of the dangers that law enforcement personnel face daily.

### COMMITTEE REPORTS:

#### Historic Design & Review Board:

J. Gabriel reported on the meeting held February 7. The next meeting has been scheduled for March 7, 2018 at 6:30 pm.

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**Planning Commission:**

J. Gabriel reported on the meeting held February 7. The next meeting has been scheduled for March 7, 2018 at 7:00 pm.

**Streets, Buildings and Grounds Committee:**

F. Loucka reported on the meeting held February 5. The next meeting has been scheduled for March 12, 2018 at 7:00 pm.

**Port Authority:**

F. Loucka reported the next meeting has been scheduled for March 8, 2018 at 6:30 pm.

**Utilities Committee:**

S. Holovacs reported on the meeting held February 5, 2018. The next meeting is scheduled for March 12, 2018 at 7:00 pm.

**Contractors Registration Board of Examiners:**

S. Holovacs reported on the meeting held January 23. The next meeting is scheduled for February 27, 2018 at 6:00 pm.

**Finance Committee:**

B. Holmes reported a special work session is scheduled for February 26, 2018 at 7:00 pm.

**Parks & Recreation:**

B. Holmes reported the next meeting is scheduled for February 20, 2018 at 7:00 pm.

**Stormwater Advisory Committee:**

S. Herron reported the next meeting is scheduled for May 14, 2018 at 6:00 pm.

**Tree Commission:**

S. Herron reported the next meeting is scheduled for February 14, 2018 at 9:30 am at Ritter Public Library.

**Legislative Committee:**

M. Stark reported on the meeting held February 5. The next meeting is scheduled for March 12, 2018 at 7:00 pm.

**Vermilion Community Services Board:**

No report.

**Health & Safety Committee:**

B. Brady reported on the meeting held February 5. The next meeting is scheduled for March 12, 2018 at 7:00 pm.

**Board of Zoning Appeals:**

B. Brady reported on the meeting held January 23. The next meeting is scheduled for February 27, 2018 at 7:00 pm.

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**MAYOR/SAFETY DIRECTOR'S REPORT:**

Mayor Forthofer reported on the Main Street Beach progress which is critically important as the previous administration prepared a capital funding request that was submitted to state legislators to be a part of the 2018 budget. He asked council to support Resolution 2018R-2 proposed by Councilman Loucka pertaining to the capital funding request.

He mentioned some time ago he was asked by Erie County Commissioner Matt Old if Vermillion would be part of the monthly meetings. He spoke with School Superintendent Phil Pempin who has arranged for a meeting to occur on February 22 at 9:30 a.m. at the Vermillion High School auditorium. The public is welcome to attend as this is a good opportunity for people who do not want to travel to Sandusky, to be able to ask the Erie County Commissioners questions that pertain to their responsibilities.

He thanked Main Street Vermillion for a successful 2018 Ice-A-Fair. After speaking with several merchants, they stated this one was of the biggest events. Temperatures were perfect and warm enough for people to attend, but not too warm that the ice melted.

With regards to economic development, Mayor Forthofer is representing Vermillion as part of Lorain Economic Development Partners. His intention is to find a way to put Vermillion in the loop for economic development systems. The Lorain Economic Development Partners is an organization that is trying to replace 'Team Lorain' that is no more.

He reported with regards to the February utilities billing cycle in which the city's vendor, Software Solutions will send two managers to the city offices to make sure the errors of the past two months relating to notices on late payments that were sent to the public will go out correctly. They also will come during the March billing cycle.

Relative to the Fire House building project, the administration is asking council for a motion to proceed for the request for qualifications. This is the next step in the new Fire House project and the administration will be looking for many layers of considerations for a Fire House; not just replacing the current Fire House on Ohio Street, but a suitable Fire House for Vermillion for the next 30 years or more. He commented that City Council has been very generous on bringing suggestions and ideas to the committee that is working on this. He looks for additional feedback as the process proceeds.

B. Brady asked if the administration is waiving penalties that were incurred by residents during the errors they had with the utility billing. Mayor Forthofer said they will be waived and B. Brady felt it was a good public relations move at this point, and Mayor Forthofer said it's totally fair. B. Brady asked who receives the late charges; the City or the fulfillment company? Mayor Forthofer was uncertain, but Finance Director Amy Hendricks said she would look into this. S. Holovacs believed in the past the city received the penalties.

**SERVICE DIRECTOR'S REPORT:**

T. Valerius reported on 2017 year totals in conjunction with the property maintenance and building inspections that were performed by the building department as follows:

Violations issued:

- Property Maintenance – 473
- Garbage, Debris – 338
- Exterior Structure Maintenance – 129
- Trailer, RV, & Yard Parking – 317
- High Grass – 714
- Non-complied Vehicle – 231
- Swimming Pool – 11
- Homes w/o Water Service – 41
- Contractors/Homeowners not getting permits/unregistered contractors – 142
- Sidewalk – 26
- Miscellaneous – 99
- Total Property Maintenance Inspections for 2017 – 2,521

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He reported there were 498 residential building permits and 46 commercial building permits issued in 2017, which resulted in 1,150 building inspections performed. There were 11 new homes built in the city, along with two new duplexes.

Secondly, he informed everyone the traffic light at the Liberty Avenue, West River, and Sandusky Street intersections will remain on flash until the new signals go online which will be by the end of March. The existing light is old and getting replacement parts has proven to be difficult, and they don't want to dump a lot of money into something that will be replaced within six weeks. They asked the police chief and the schools for their input and they did not foresee any issues.

Lastly, he asked council to suspend the rules and adopt Ordinance 2018-13 by emergency as it pertains to Change Order Number One with regards to the purchase of new bollards that will protect the new traffic lights.

S. Herron asked if the building inspections are performed by one person and an assistant. T. Valerius reported the property maintenance inspections are primarily done by the Property Maintenance Inspector who works part time for eight months out of the year, and some were performed by the building inspector. All the building inspections are performed by the building inspector, a number are done by the electrical inspector, and a few done by the plumbing inspector. B. Brady asked how much money was generated by the building department as they pertain to inspections and permits. T. Valerius didn't have this information readily available, but Finance Director Hendricks said this is something she will provide council with.

**FINANCE DIRECTOR'S REPORT:**

Amy Hendricks noted that Councilman Hlovacs had earlier spoken briefly while giving his Utilities Committee report of a clarification on the administrative costs to the water and sewer funds that were discussed at the February 5 meeting. The total of the administrative costs in those funds is just under \$400,000, but this includes all related costs in that area, where the discussion in the committee meeting had just been with regards to what had been charged for the finance director and service director, and those numbers were \$17,940 for each of the funds, so that's 12½ percent to each of those funds, which is fully compliant with Ordinance 2014-59. Those charges are posted bi-weekly as a part of the payroll process when those wages are paid and she confirmed the percentages within the payroll software.

She mentioned she was contacted with some questions about the nature of various expenses charged to the water and sewer funds and these funds are enterprise funds, which are similar to a business running within the city's operations, so it's considered a best practice to charge all associated expenses to funds of this type so you can be tracking if you have adequate revenue to cover your expenses in those areas, and they will continue to follow those procedures.

She referred to the first reading of Ordinance 2018-15 which is the appropriations for budget year 2018. She said the ordinance she emailed to council was not the last saved version which was sent inadvertently. She addressed Section 7, Fund 601 (Water) as 'Other Expenses' should read \$3,738,500.

She noted one of the restrictions they have on the budget process currently is that they are still reconciling 2017. This limits the city's ability to certify the new available balances that started in 2018, so they are limited to appropriating the monies that were on the original Certificate of Estimated Resources which was adopted in August along with tax budget. As they begin to close 2017, and are able to certify accurate balances to Erie County, they will continue to modify and update the budget along the way as need be. She and Mayor Forthofer did meet with Mike Lennon of Lennon & Associates on February 6 and he will assist in resolving the reconciliation so the city can begin working with 2018 balances full verified.

Another task since joining the city; on February 1, she and the Mayor have been visiting each of the city's financial institutions and updating signature cards and obtaining online access to each of those. Also, as a part of the process, it had become apparent the city has some monies they may be missing some investment opportunities on by gaining interest. She set up an account today that has daily liquidity so they can be sure what the city's cash flow is, but that's yielding 1.46% on a daily basis. As of this morning, it was a very secure and stable investment which should yield the city an additional \$65,000 a

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year in interest income. As they begin to capture the cash flow more substantially she will begin to meet with existing investment advisors as well, to see what other opportunities the city may have to enhance that.

Another question the city offices have received pertains to RITA income tax forms as the city has not received the usual supply. Therefore, they reached out to RITA to get a confirmation on when those forms will be shipped this year, but they have not received a response to date.

She again thanked Mayor Forthofer and City Council for the opportunity to serve the city and said she's very excited about the things they have coming.

S. Herron thanked the finance director for sending out the information regarding the two enterprise funds.

B. Brady asked the finance director if she felt fairly comfortable with the numbers for 2018, or was the city expecting gross changes. A. Hendricks said they have a couple of funds from the most recent December information that is available and it looks like they closed 2017 with higher balances with what was estimated over the course of the summer. These are ones that are the most troublesome because those funds also have needs to budget additional money that she is not able to do until she can get it established. She doesn't think at this point the city will have any catastrophic swings of any nature, but it's too soon to pinpoint which way this is going to go because they don't know if it's a single issue that is causing the problem or if it crosses fund, so she wants to make sure before they send this new data to the county.

**CITY ENGINEER'S REPORT:** No report.

**LAW DIRECTOR'S REPORT:**

K. Stumphauzer said subject to the mayor's approval, he will be submitting to council a comprehensive ordinance dealing with the law director's office. When council passed the ordinance to reappoint him as law director the rates put in the ordinance were rates that were in effect eight years ago. There were adjustments to those rates so he would like to include that, but also what needs to be recognized is that the law director employs prosecutors, and in the past he divided up the prosecutor's office as they prosecute a day and a half a week; typically two days a week and they are subject to call 24 hours a day, 7 days a week by the police department for issues that may arise during the day. He will put this all into an ordinance because right now they have a separate ordinance from the law director's office, but it makes no sense because they all work for the law director. He will provide comparative data to council and he will not ask for an increase for the law director even though there hasn't been an increase in eight years. The issue is to make compensation adjustments.

In addition, he said when council has a particular issue that needs researched they pass a motion asking for interpretations and opinions, but there may be something unique to their ward that they may want researched, so they could look at hiring a second or third year law student who would be very anxious to do research and put them in charge of the task of addressing these issues. He said they can get somebody reasonably for a two or three month period of time, so he will be getting this information to council by the next finance meeting. S. Herron said as a point of clarification, council doesn't call up people in the administration to have them do things; they do it by motion or they contact the Mayor.

**OPEN TO THE AUDIENCE:**

Jon Logue, Vice-Chair of the Parks Board was present to explain that the state capital budget item is pending. He said with regards to the process relative to the old museum property they had two meetings in December to lay out the findings on what they would like to do with the museum; one of those pieces is that it will be somewhat costly. During their investigation they recommended the building to come down and put something new and more usable to be built. It's going to increase public access and green space, and they are trying to stay within \$1.5 million for the total project, which is an estimate of what it will cost to demolish the building and to build something that could be usable. Part of the funding plan is all private; they are going to state sources, grant sources, and capital budgets. They are talking with private donors and different ways to fund it, so it's not asking the city for any funds for this, but they are

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asking for council to adopt a Resolution of Support which entails a capital budget request that their committee with the help of former Mayor Eileen Bulan made to the state capital budget. Although they don't have a full plan of exactly what they want to do, they are pressed for time because the state capital budget allocations only come about every two years. They had to have an application in by early January for it to even be considered. He has learned that both the Ohio Senate and the House want their budgets proposed in the next week or so, so the Governor can sign them into law by the end of March. As a committee they have reached out to their elected officials that represent this area; Senator Gardner, Senator Manning, and Representative Arndt to make sure they are really communicating the importance of this project. They have asked the state for \$1.2 million against what they are estimating to be a \$1.6 million budget. They wanted to keep it within \$1.5 million, but all the estimates didn't take into account landscaping and greenery, so they are estimating a little bit more for that. They asked for \$1.2 million because this was what they were allowed to ask for. He thinks it's very rare that any state budget allocation is fully funded, so any money they can get from the state capital budget for this project is going to put them that much further ahead, so they would really appreciate City Council's support in passing the resolution, and also whether it's individually or as a body, to contact those elected officials and talk about the importance of this project.

F. Loucka thanked Jon Logue for taking leadership on this matter. He opened up the eyes of the members of the committee as to what can be done by taking them to a number of other parks systems with the type of buildings they have, and he appreciates the leadership that he has taken on this project. J. Logue too thanked Councilman Loucka for his involvement from the beginning. He advised council that if they have questions they can also ask Councilman Loucka and Mayor Forthofer who have been involved in this project. B. Brady asked if the Photojournal could put it in the paper as to where these letters of support can be sent. J. Logue said obviously the Senate and the House has their finance committees, but Senator Manning in Lorain County is the Vice Chairman of the Senate Finance Committee, so certainly reaching out to her is important. B. Brady asked if he had any feeling what has been asked for and what they have available. J. Logue mentioned that everybody asks for money and the City of Lorain asked for money for three separate projects in the \$250,000 range for each as reported by the Morning Journal. He said it's accessible through the State of Ohio; the last capital budget that was passed was about \$6 billion, so there were requests from \$30,000 up to \$10 million. He said Erie County was not represented very well; there were a lot of allocations in the seven figure range for the City of Sandusky, but beyond that very little. He said Vermilion is a new applicant and it's a great project; it's important to the city and the entire region. He noted that former Mayor Bulan took Senator Gardner and Representative Arndt all through the project, so he thinks they understand the landscape of it and the importance to the city.

**NEW BUSINESS:**

**M. Stark MOVED;** B. Brady seconded to authorize the administration to proceed with the Request for Qualifications (RFQ's) for the Fire House Design and Build. Roll Call Vote 7 YEAS. **MOTION CARRIED.**

**S. Holovacs MOVED;** F. Loucka seconded to approve the Mayor's appointment of Dan Phillips to the Zoning Board of Appeals. Roll Call Vote 7 YEAS. **MOTION CARRIED.**

**F. Loucka MOVED;** S. Herron seconded to recess into executive session regarding personnel matters (hiring, firing, compensation). Roll Call Vote 7 YEAS. **MOTION CARRIED.**

**READING OF ORDINANCES:**

**First Reading – Ordinance 2018-13 - AN ORDINANCE AMENDING ORDINANCE NUMBER 2017-9 ADOPTED MARCH 6, 2017, BY ADOPTING CHANGE ORDER NUMBER ONE WHICH IS AMENDATORY TO THE ORIGINAL CONTRACT WITH PERRAM ELECTRIC, INC. OF WADSWORTH, OHIO, FOR THE ERI-VERMILION SIGNALS PROJECT (PID 93576); AUTHORIZING THE FINANCE DIRECTOR TO MAKE PAYMENT TO SAID AWARDEE IN THE ADDITIONAL AMOUNT NOT TO EXCEED ONE THOUSAND THREE HUNDRED TWENTY NINE DOLLARS AND EIGHTY FOUR CENTS (\$1,329.84), AND DECLARING AN EMERGENCY.**

**S. Holovacs MOVED;** F. Loucka seconded to suspend the rules. Roll Call Vote 7 YEAS. **MOTION CARRIED.**

**F. Loucka MOVED;** J. Gabriel seconded to adopt this ordinance by emergency. Roll Call Vote 7 YEAS. **MOTION CARRIED.**

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First Reading - Ordinance 2018-14 - AN ORDINANCE AMENDING CHAPTER 1080 ENTITLED "STORMWATER MANAGEMENT" AND SECTION 1080.08 (a) ENTITLED "DEPOSIT AND PROCEEDS OF COLLECTIONS" OF THE CODIFIED ORDINANCES OF VERMILION, OHIO, AND DECLARING AN EMERGENCY.

First Reading - Ordinance 2018-15: AN ORDINANCE TO MAKE APPROPRIATIONS FOR CURRENT EXPENSES AND OTHER EXPENDITURES FOR THE CITY OF VERMILION, OHIO FOR THE FISCAL YEAR ENDING DECEMBER 31, 2018, AND DECLARING AN EMERGENCY.

First Reading - Resolution 2018R-2: A RESOLUTION EXPRESSING VERMILION CITY COUNCIL'S SUPPORT OF THE REQUEST FOR CAPITAL FUNDING FOR THE HARBOUR VIEW BEACH PROJECT IN THE CITY OF VERMILION, OHIO.

J. Gabriel MOVED; S. Holovacs seconded to suspend the rules. Roll Call Vote 7 YEAS. MOTION CARRIED.

J. Gabriel MOVED; S. Holovacs seconded to adopt this resolution by emergency. Roll Call Vote 7 YEAS. MOTION CARRIED.

ANNOUNCEMENT OF MEETING DATES

Steve Herron

- Monday, February 19, 2018 - President's Day - City Offices Closed
Monday, February 26, 2018 - Vermillion City Council Public Hearing & Special Finance Work Session (w/possibility of regular Council meeting if needed) @ 7pm
Monday, March 5, 2018 - Vermillion City Council Meeting @ 7pm
Monday, March 12, 2018 - Vermillion City Council Committee Meetings (All) @ 7pm
Monday, March 19, 2018 - Vermillion City Council Meeting @ 7pm
Monday, March 26, 2018 - TENTATIVE (if needed for budget purposes) - Vermillion City Council Meeting @ 7pm

ADJOURNMENT:

Upon the conclusion of executive session, no further business came before the body and Council President Steve Herron adjourned the Vermillion City Council meeting.

Gwen Fisher
Certified Municipal Clerk