MINUTES January 7, 2015

Niles City Council held its regular meeting on January 7, 2015 at 6:00 p.m. in Council Chambers Safety Service Complex in Niles, Ohio.

The meeting was called to order by President Robert Marino, and the Clerk, Lori Kuszmaul, called the roll:

Lastic-P, Papalas-A, Giancola-P, McCormick-A, Stredney-P, Merlo-P, Pezzano, P, Marino-P

It was moved by Lastic, seconded by Giancola to excuse councilmen Papalas and McCormick from the meeting.

Motion carried.

It was moved by Giancola, seconded by Lastic to accept the Minutes from December 17, 2014 and place them on file.

Motion carried.

REPORTS AND COMMUNICATIONS

FROM the Auditor's Office

The estimated versus actual revenues through December 2014.

It was moved by Merlo, seconded by Stredney to accept the report and place it on file.

President Marino: I did ask Chuck when he will have the closeout for our end of year fund balances for comparison purposes for 2012, 2013 and 2014, but he hasn't gotten back to me as to when we can expect them. I am interested in what our year end balances are over those years for us looking ahead so that as the fiscal commission plans come together, we're able to make informed decisions relative to deficit spending and the like. Once I get those, I'll make sure that they're share with you.

President Marino: Please let the record reflect that Councilman McCormick is here now. Motion carried.

MEMBERS OF THE AUDIENCE TO ADDRESS COUNCIL

Robert Rouan, 1902 Cardington Street, Niles, Ohio. Gentlemen, I work with the development of oil and gas wells over by the Eastwood Mall and also by the Big Lots. Right beside the Big Lots, they want to drill another well. We need more acreage and the city has the property. I have a map. What we did is we went to Dave Bodo, he's the local surveyor, he found out what the city actually has available to be leased. As you look at the map on the back and look at what's highlighted on the map, that's acreage that is not currently leased by the City of Niles in that area. What we want to do is take the city streets and unitize them in with the existing wells.

We're going to put them in the well that's actually on the map. This is right by the Big Lots. There are existing oil and gas wells. I'll take it down and show everybody.

President Marino: Is that the Unit No. 1, Rob?

Robert Rouan: That's it, Bob. We're going to unitize it in that well and the city would immediately start getting royalties from the well.

President Marino: You're going to drill it there, Rob?

Robert Rouan: No. But we want to put it into an existing well since we have leases in the area and we have a few more that we want to get, so we'll put the city streets into the oil and gas well and then they'll start getting royalties.

Mr. Lastic: Which streets?

Robert Rouan: It's on the map there. It's highlighted. I think it's a total of 17 acres.

President Marino: It looks like Park Drive, Ashberry, Gifford, Moreland, Royal Mall Drive.

Robert Rouan: Right. And this map here, again I'd have to show you, but any questions on that so far? But this is a map of all the oil and gas wells in the area and in that area there is only room for maybe one or two more oil and gas wells. Kleese has the leases for everything in the area on it. But what we're going to do is we're going to set – adjacent to that well, Covelli owns it – and we're going to drill a directional well at an angle underneath to the Covelli where that exercise place is by Marc's.

Mr. McCormick: Village Plaza.

Robert Rouan: Yes. Underneath there and then we would unitize ultimately the city property in that well and another one that we will drill at some point.

(Councilmen look at map and discuss location with Robert Rouan)

Mr. McCormick: Where is the well drilling rig going to be?

Mr. Giancola: To the left side of Pets Mart. Do you know where the Tops Grocery Store was?

Mr. McCormick: Yes.

Mr. Giancola: To the left side of that.

Mr. Lastic: Behind Flynn's Tire.

President Marino: That's where the rig is. That's where that retention pond is at?

Robert Rouan: It's a ways away. But, yes.

President Marino: There are two retention ponds. There's one where I work and one across the street.

Robert Rouan: But there's no expense on the city's part. We would like to unitize the – did anyone else want to see the map?

President Marino: Rob, because this is the first time that any of us have heard about this, I know this is Councilman Pezzano's ward, first ward, I'm wondering if we defer to him and allow you and he to get together, set up a meeting, so that he can communicate with folks in his ward and make sure that the residents and all the appropriate parties are aware of what is going on.

Robert Rouan: These are all the leases we have right now. We have almost everybody.

Mr. Pezzano: Who is almost everybody?

Robert Rouan: I've highlighted in yellow and red.

Mr. McCormick: What did you say your need was for doing this at this time?

Robert Rouan: Because we want to take the city streets where we need extra acreage because you have to have at least 40 acres to drill a well, so we're going to take the city streets which are about 17 acres and unitize them in a well so we can use that acreage when we get the well done.

President Marino: Rob, how many leases to you currently have signed?

Robert Rouan: A lot. They're right there in the yellow. All of this is leased too, Bob. It's part of existing oil and gas.

President Marino: So at what point can we be force pulled. This is ODNR controlled now. Drilling of wells is not managed by the city. Council has no –

Mr. Giancola: If we don't want the wells, we don't give the streets.

President Marino: But you can be force pulled when they reach a certain point. We get pulled into it, so are you opposed to force pulling?

Robert Rouan: Well, we're close to getting enough of the leases. There's going to be a couple that are not going to sign but all this area, Bob, is already leased. I colored it in. Everything you see in yellow. And this is everything that we need. We haven't talked to people down here because we don't need it.

President Marino: I'll defer to Councilman Pezzano.

Mr. Pezzano: I want to see a list of all the people that you talked to.

Robert Rouan: Ok. I'll bring all the recorded leases of everyone that's already signed. There are many many dozens that have already signed. I'll get you my card.

President Marino: So Rob, you're going to follow-up with Councilman Pezzano?

Robert Rouan: Yes. Sure will.

President Marino: Thank you. Mr. Blair, you're name and address for the record.

Matthew Blair, 1106 Lantern Lane, Niles, Ohio. I have two little things. There are a number of people asking when they are going to get their utility bill and how big it might be. Are they going to be required to pay the whole thing when they receive a bill? Does anyone know when that might happen?

Mayor Infante: Mr. Merlo, did you get an update?

Mr. Merlo: I got an update. Mr. Blair, I was down there today and was talking to Stephanie, our supervisor in the billing office. We have just mailed out our batch one and two already last week. They are working on batch three which should go out in the next day or two and then batch four, which is our last batch, will go out by Monday. So then we will be – those will be all the bills from the month of November that should have been billed in December. And then they'll start working on the next batches which should have gone out in January immediately. So there will be a time coming when you are going have two bills coming pretty close together. I know that they are working with Mayor Infante and Neil that there is not going to be any penalty and working with everyone to make sure there is no issues with late fees or anything like that.

Mr. Blair: I know a lot of people probably spent money on Christmas, you know, and won't have a lot remaining.

Mr. Merlo: Yes, I know.

Mr. Blair: Secondly, I had no idea what your Agenda was until I walked in here and I picked it up and looked at it and I see the word "emergency" for both of these drafts. When I was reading them I wonder why these constitute an emergency?

President Marino: Terry, do you want to explain to him the manner in which – it is rather deceiving the way it reads. I'll let Terry explain.

Mr. Dull: Mr. Blair, when legislation is passed, when I get the request for legislation, I look to see if there is a need to have this done sooner than 30 days? So I make a judgment call based on when the request is made as to whether I think something needs to be effective sooner than the 30 days. If it's not passed as an emergency, it takes 30 days to become effective. In the case of this annexation, the developer is getting very close to when they want to start construction and in order to try to allow that process to go through as quickly as possible, I thought it would be good

to at least put that language in there. In the end, council has to agree. On the second piece of legislation the city of hoping we will be able to reduce expenditures within the city as quickly as possible and that was the reason that declaration of emergency was put on. Again, council has to determine if it's an emergency or not, but that's the process.

Mr. Blair: Looking at that, though, and I'm not here representing the Fire Department, but this would be something that you would be looking forward to down the road. I guess the word "emergency," when you read this in the papers it normally talks about something that should happen immediately.

Mr. McCormick: Mr. Blair, council hasn't treated it as an emergency. If you read that first line there, this is the third time that first item has come before council. This will be our third reading today. This started almost two months ago, so it's been going on. It's not something that we are trying to railroad through or anything like that. And you're right, there are certain issues that deserve the public to be able to come in and comment on them and things like that. That's when we give it a reading, and granted, sometimes we do pass things emergency, but usually that's budget things that we've already planned out and it's been done that way. Both of these items are actually on their third and second readings. It's not just going to fly through once.

Mr. Blair: Then why was it called an "emergency?"

President Marino: It's more of a procedural thing for council. If council so deems that it's something that needs to take effect upon their approval and the signature of the Mayor and me, it takes effect. Otherwise, if we didn't have that, it would take 30 days for that to take effect. As Ed explained, these things are working their way through the legislative process because council has elected to say, you know what, we're going to move for a first reading and take our time to allow public input on this. So it is kind of confusing and we have been taken to task from the media relative to passing these as emergency and we've explained it more often than not that emergency measures are passed as Councilman McCormick explained deal with fiscal matters.

Mr. Blair: My experience has always been in industry and when I see emergency, I wonder because I couldn't have gotten away with that.

President Marino: We've made mistakes passing things as emergency and had to back up and redo them. I mean, we have made mistakes. Some other people might not admit that, but I'm going to tell you that, and we've had to go back and rework and tweak things. On the case of these two matters, they are taking their time and allowing public input.

President Marino: Mr. Cartino, your name and address for the record please.

Don Cartino, 26 Belmont Avenue, Niles, Ohio. I came here tonight to just watch. I've been living here since 1971 and I wasn't going to say anything tonight, but since this gentleman brought it up, you all know Mrs. Crick who lives across the street from me at 31 Belmont Avenue. She's a widow and we talk a lot and she got her utility bill and we didn't. I called and asked them why Mrs. Crick got her bill who lives across the street but we didn't get ours. She went up there and paid the bill. She showed me the receipt. How does one person in the same

neighborhood -- I think the guy reads each house, right? How could one person get their bill and everyone else not? One more issue that I have with that. I didn't bring it. A month ago my wife made an error in paying the water bill. Instead of 80 cents, she wrote 8 cents. On my bill that big in red "This 80 cents has to be paid or we're shutting your water off." Now, I've never missed a payment. (Inaudible) I will be coming to more meetings because I have some other issues I'd like to address. Thank you.

President Marino: Anybody else?

Mary Logue, 1522 Spruce Court, Niles, Ohio. You brought up the fact about emergency about wanting to cut bills. I can understand that, but also when you're cutting the fire department and cutting lieutenants, you're putting my safety at risk, and also I called my insurance company and if your ITL goes down, I pay double for my insurance. You better consider that when you start voting on cutting the fire department.

President Marino: Thank you. Anyone else?

Bill Santell, President of Local 325 Fire Fighters. In regards to the ordinance to reduce the lieutenants from six down to three, in 1971 when we had 23 fire fighters and the chief, those three extra lieutenant positions were created for the Eastwood Mall. Last time I checked, the Eastwood Mall didn't go anywhere. Things have only grown. The fire services have developed and we run a lot more calls than what that did back in 1971. Reducing those officers is putting every resident in the city that lives here, people that come to visit and the fire fighters on duty that day are at risk by eliminating those officers. We asked the Mayor to weigh the cost savings. The chief and I have talked and we started having difficulties with our trucks, I have numerous articles, cost savings on EMS programs using SUV's. This time though we put the engine back on the road in the winter. You talk about the audit. The biggest cost savings in there is one million dollars by bidding out our insurance to a fully insured program. To me there are bigger fish to fry there in savings than \$24,000.00 that you can save by reducing the three spots. The truth is you're not going to save that because one, you're going to honor the lawsuit, which is what you said at the last council meeting, so you're going to have five lieutenants. You're going to save the cost of one which is \$8,000.00. The potential to reduce that officer pay won't happen for two years if that guy leaves. If not, you're looking at probably close to a decade or more before you can ever get down to three lieutenants. To me it's pointless. You're not going to save anything in the immediate or at least not for 10 years from now. I ask that this Draft No. 109-14 be dropped. It's not an emergency. Also, this Feel the Heat Program, Councilman Stredney attended this with Andy Bickerstaff. It's for public officials so they can go to the Ohio Fire Academy so they can experience what we actually do. I think a lot of people really have no idea the type of job that we do. If anyone is interested, you can talk to Councilman Stredney or Fire Fighter Andy Bickerstaff and I'll leave the information here.

President Marino: Thank you. Anyone else?

Richard Logue, 1522 Spruce Court, Niles. The question I want to bring out to council members and maybe to the Mayor is why is it that anytime we have financial problems, and it doesn't matter, not only this community, all communities, the first two groups of people that get picked

on and laid off are police departments and fire departments, and they're the two most important departments that we have in the city because when we need them, we need them now. Like my wife said, we called an insurance agent today just out of curiosity. They're saying just by body count alone, by three officers, our insurance rates could double. I find that very very disheartening. I've lived in this community for 10 years and I have bragged about it to other people. I think my tax money up until this last year, I have gotten more bang for my buck than in any community that I have ever lived in. I really think the Niles Fire Department with the equipment they have, with the time and personnel that they have, they do a fabulous job. If I ever have another heart attack, I hope that they respond to me as their first responders. If you've ever had a heart attack, if you've ever had a family member sick, you know those first responders are the greatest things you've ever seen in your life when they get there. I just ask you people; don't cut our forces when they don't need to be cut. I'm sure that there are other places that could be cut.

Mayor Infante: Sir, this may be a little confusing. We are not reducing the fire department manpower. There are no layoffs. Through attrition, what we're doing is we're eliminating the pay of three lieutenants and making them fire fighters instead through attrition.

Mr. Logue: Don't you believe that supervision is very important for your younger fire fighters?

Mayor Infante: Yes, it is, but we have 9 supervisors and 18 firemen, so we have one supervisor for every two firemen. We feel that's not needed in the future and we did a performance audit where the state told us how we could save money and that's what we're doing, we're following recommendations and we're not laying anybody off. For the 25 years that I've been mayor, or 24 years, we haven't reduced. We've kept the police and fire working at full strength.

Mr. Logue: I'm sorry, but no you haven't.

Mayor Infante: Yes, I have.

Mr. Logue: You've had layoffs.

Mayor Infante: We've never laid off. I've never laid off.

Mr. Logue: I'm not going to argue with that. I'm just asking you, please reconsider this legislation.

President Marino: Thank you. Anyone else wish to address council? In the opinion of the chair, there being none, committee reports?

COUNCIL COMMITTEE REPORTS

None

ORDINANCES AND RESOLUTIONS

ORDINANCE NO. ____ (Draft No. 95-14)

AN ORDINANCE ACCEPTING THE ANNEXATION OF TWO PARCELS OF LAND FROM HOWLAND TOWNSHIP OWNED BY JOSEPH MARZULLO AND NILES CORTLAND COMPANY, LLC; ESTABLISHING THE ZONING FOR SAID PARCELS; AND DECLARING AN EMERGENCY

It was moved by Stredney, seconded by Lastic for a third reading.

YEAS: 5 ABSTAIN: 1 (Merlo) NAYS: 0

Draft No. 95-14 has received its third reading.

It was moved by Stredney, seconded by Lastic for adoption of Draft No. 95-14.

YEAS: 5 ABSTAIN: 1 (Merlo) NAYS: 0

ORDINANCE NO. ____ (Draft No. 109-14)

AN ORDINANCE AMENDING ORDINANCE NO. 17-12, IN PART, BY REDUCING THE AUTHORIZED NUMBER OF LIEUTENANTS IN THE FIRE DEPARTMENT THROUGH ATTRITION; AND, DECLARING AN EMERGENCY

It was moved by Giancola, seconded by Lastic for a second reading.

YEAS: 4 NAYS: 2 (Stredney, Pezzano)

Draft No. 109-14 has received its second reading.

President Marino: Now for Miscellaneous Remarks.

Mr. McCormick: Bob, before we do that, a question on that first one. Are five votes here enough to adopt that?

President Marino: The difference is if it was an emergency, you suspend the rules and it takes effect immediately upon the signature of the Mayor and me. Now, we wait 30 days. Terry, is that correct?

Mr. Dull: That's correct.

Mr. McCormick: Okay.

President Marino: That's why we do emergency sometimes or actually more often than not.

Miscellaneous remarks?

MISCELLANEOUS REMARKS

Mr. Swauger: Just so council knows, Ohio House Bill 5 passed yesterday and it is going to the Governor for his signature. Basically, it's going to -- I guess what they're saying is they want to simplify how income taxes are filed in all cites and municipalities throughout the state. Some of them are going to greatly affect us. Some of them won't have as much an effect on us. Once the Governor signs it, I will tell you more about, but just so you guys know, some of the things that will happen are right now if somebody works in the city they have to work here for 12 days and then tax them back from the first day. Now they're going to get a 20-day grace period, waiver period, and we're not allowed to go back to the first day. They are going to be allowed to work here for 20 days before they have to start paying taxes. There are other procedural things that will require certified letters instead of regular mail, so hopefully by the next council meeting, I will be able to give you guys a more definitive dollar amount of how this is going to affect us. Just so you are aware, there is probably going to be a financial affect.

President Marino: Thank you, Mr. Treasurer.

Mr. Stredney: Just one question. Mayor, are we going to put a little note on our utilities bills telling people that --

Mayor Infante: Yes.

Mr. Stredney: Because I've gotten a lot of calls, you guys have gotten a lot of calls, I think we all did. Just so everybody knows. I was going to ask the press to relay a message, but no one is here.

President Marino: Before we adjourn, council's schedule for this year is the first and third Wednesday of every month. So our next meeting is January 21st. Our summer schedule is July 15th, which is the third Wednesday and August 19th, which is the third Wednesday, but the remaining months are the first the third for the remainder of our term. Make sure everybody is aware of that.

<u>ADJOURN</u>

It was moved by Stredney, seconded by McCormick to adjourn the meeting.

LORI KUSZMAUL, Clerk of Council

ROBERT MARINO, JR., President of Council Stephen G. Papalas, Acting Cresident