

The Vice President called the meeting to order at 5 p.m. after the Invocation, given by Mike Meinzer, and the Pledge of Allegiance.

The Clerk called the roll and the following Commissioners responded: Wes Poole, Blake Harris, Dennis Murray, Naomi Twine, Mike Meinzer and Dave Waddington. Commissioners Dennis Murray, Naomi Twine and Mike Meinzer were in attendance via teleconference due to the COVID-19 pandemic. Due to technical difficulties, Dick Brady was unable to join the meeting.

Upon motion of Wes Poole and second of Dave Waddington, the commission voted to excuse Dick Brady. The Vice President (Dennis Murray) declared the motion passed.

Upon motion of Dave Waddington and second of Naomi Twine, the commission voted to approve the Minutes of the April 13, 2020, meeting and suspend the formal reading. The Vice President declared the motion passed.

City staff present: Trevor Hayberger – Law Director and Stuart Hamilton – IT Manager.

City staff via telephone: Michelle Reeder – Finance Director, Eric Wobser – City Manager, Aaron Klein - Director of Public Works and John Orzech – Police Chief & Assistant City Manager and Kelly Kresser – Commission Clerk.

AUDIENCE PARTICIPATION

None.

PRESENTATION

Talon Flohr, Neighborhood Outreach Coordinator, said he would like to share information about the upcoming Census as it relates to the City of Sandusky. The Census data for Sandusky is important and the results of our population helps directly determine how much federal funding we receive. This funding is used to support projects and to support local non-profit organizations. These results will stay with us for the next ten years. These numbers also determine our political strength for the area and for Ohio in general as it helps determine how many representatives of Congress we have. Locally, funds are used to support local projects from street repairs to park upgrades and to support local organizations such as the city's Recreation Department and OHgo during this time of crisis. The crisis (pandemic) came at an unfortunate time as a few community partners were lined up as Census stations to help residents to fill their Census out on-site. We have an outstanding Complete Census Count Committee who are all doing an awesome job promoting it and making sure everyone within their respective organization(s) are reached and filling out the Census. OHgo has been very supportive of our efforts with Sunday Funday parades and offering to include Census materials in all of their food bank distribution centers. The Planning Department has discussed signage on city-owned lots to keep this at the top of people's minds. Talon Flohr thanked Christine Zess, our local partnership specialist, who has done an amazing job interfacing with the city and with everyone else on the Committee to push the efforts. The new response maps for the census tracts allows us to track things in real time so we know where we need to focus. Currently, there are two tracts falling behind including the downtown area and the east side of town. We may do more outreach to help with this including events, mailers and door-hangers to keep this on people's minds. Lastly, Congress recently extended the timeline for three months and the new deadline will be in October. He said this is a great time of uncertainty and has really enjoyed his time at the city and it has been wonderful to serve in the city where he grew up. Dennis Murray said there are so many urgent things right now and the Census is very important and we cannot lost sight of it because we will live with the results for ten years. Dave Waddington said he worked on the last Census and hopes we maintain a population over 25,000 to help us get out of this war we are in with the pandemic.

CURRENT BUSINESS

Upon motion of Dave Waddington and second of Wes Poole, the commission voted to accept all communications. The Vice President declared the motion passed.

REGULAR AGENDA**ITEM #1 - Submitted by Debi Eversole, Housing Development Specialist****GRANT AGREEMENT WITH AMERIHOMES, LLC**

Budgetary Information: The city will be responsible for providing a total of \$15,000 in grant proceeds from the Community Development capital projects fund on a reimbursable basis, payable upon completion of the project and proof of incurred expenses.

ORDINANCE NO. 20-071: It is requested an ordinance be passed authorizing and approving a grant in the amount of \$15,000 through the housing development and beautification grant program to Amerihomes, LLC, in relation to the property located at 1035 Hancock Street; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Naomi Twine and second of Dave Waddington, the Commission voted to approve this ordinance under suspension of the rules and in accordance with Section 14 of the city charter. Roll call on the motion: Yeas: Dave Waddington, Wes Poole, Blake Harris, Dennis Murray, Naomi Twine and Mike Meinzer, 6. Roll call on the ordinance: Yeas: Dave Waddington, Wes Poole, Blake Harris, Dennis Murray, Naomi Twine and Mike Meinzer, 6. The Vice President declared the ordinance passed under suspension of the rules and in accordance with Section 14 of the city charter.

ITEM #2 - Submitted by Debi Eversole, Housing Development Specialist**GRANT AGREEMENT WITH HAVINFUN, LLC**

Budgetary Information: The city will be responsible for providing a total of \$15,000 in grant proceeds from the Community Development capital projects fund on a reimbursable basis, payable upon completion of the project and proof on incurred expenses.

ORDINANCE NO. 20-072: It is requested an ordinance be passed authorizing and approving a grant in the amount of \$15,000 through the housing development and beautification grant program to Havinfun, LLC, in relation to the property located at 306 West Water Street; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Dave Waddington and second of Wes Poole, the Commission voted to approve this ordinance under suspension of the rules and in accordance with Section 14 of the city charter. Roll call on the motion: Yeas: Dave Waddington, Wes Poole, Blake Harris, Dennis Murray, Naomi Twine and Mike Meinzer, 6. Roll call on the ordinance: Yeas: Dave Waddington, Wes Poole, Blake Harris, Dennis Murray, Naomi Twine and Mike Meinzer, 6. The Vice President declared the ordinance passed under suspension of the rules and in accordance with Section 14 of the city charter.

ITEM #3 – Submitted by Nicole DeFreitas, Transit Administrator**AGREEMENT WITH BOYS & GIRLS CLUB OF ERIE COUNTY FOR TRANSPORTATION SERVICES WITH STS**

Budgetary Information: This money collected will be used to offset the capital planning and operating expenses through the 5311 rural grant program.

ORDINANCE NO. 20-073: It is requested an ordinance be passed authorizing and directing the City Manager to enter into an agreement for transportation services between the City of Sandusky and the Boys & Girls Club of Erie County for services related to the Sandusky Transit System for the period of May 15, 2020 through December 31, 2021; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Blake Harris and second of Dave Waddington, the Commission voted to approve this ordinance under suspension of the rules and in accordance with Section 14 of the city charter. Roll call on the motion: Yeas: Dave Waddington, Wes Poole, Blake Harris, Dennis Murray, Naomi Twine and Mike Meinzer, 6. Roll call on the ordinance: Yeas: Dave Waddington, Wes Poole, Blake Harris, Dennis Murray, Naomi Twine and Mike Meinzer, 6. The Vice President declared the ordinance passed under suspension of the rules and in accordance with Section 14 of the city charter.

ITEM #4 – Submitted by Josh Snyder, Assistant City Engineer**PERMISSION TO REBID FERROUS CHLORIDE SYSTEM REHAB PROJECT AT WWTP**

Budgetary Information: The revised estimated cost of the project, including inspection, advertising and miscellaneous costs is \$640,500 and will be paid with sewer funds. This cost will be split with Erie County as per the current sewer services agreement.

RESOLUTION NO. 015-20R: It is requested a resolution be passed repealing Resolution No. 029-19R and declaring the necessity for the City of Sandusky, Ohio, to proceed with the proposed Waste Water Treatment Plant ferrous chloride system rehabilitation project; approving the revised specifications and Engineer's estimate of cost thereof; and directing the City Manager to advertise for and receive bids in relation thereto; and declaring that this resolution shall take immediate effect in accordance with Section 14 of the city charter.

Upon motion of Blake Harris and second of Wes Poole, the commission voted to approve this resolution under suspension of the rules and in accordance with Section 14 of the city charter.

Discussion: Aaron Klein said this project was originally brought to the commission in August, 2019, but it actually dates back further. In 2013, we paid to have this re-lined with a rubber liner as it was how the tank was originally designed, but it only lasted about four years. We had two of these tanks and were intending to re-line the second one last year but this one failed again so we started to go through the process of redesigning and re-lining the tank but realized we would only get about four years out of it. We decided to replace the tanks with a more compatible material. This process evolved into taking the tanks out of the building and building new outdoor storage tanks with containment. The present work cost analysis which was run on re-lining tanks versus rebidding the tanks was about \$1.2 million; with rebidding, we had a cost estimate of \$640,000. Re-lining would have an upfront capital cost of maybe \$200,000 per tank but the long-term value we would have for not doing this project every few years is extremely worthwhile. Right now we have little to no redundancy at the Waste Water Treatment Plant with our ferrous tanks and it is extremely important to us to make sure this can be up and running as soon as possible. When all is said and done, half of this cost should be split with Erie County based on our sewer services agreement (46.18%). The original bids were over \$800,000 which were rejected. We have gone through the analysis with our consultant who grossly underestimated the price of the tanks, the process integration and the price of the pump skid equipment. We also were told by the contractors they had little to no time to put into the estimates because they were too busy and they said they just threw high numbers at it and is why it came in so high. We are extremely comfortable with the cost of \$640,500, have spoken with other contractors and feel the project should be awarded.

Roll call on the motion: Yeas: Dave Waddington, Wes Poole, Blake Harris, Dennis Murray, Naomi Twine and Mike Meinzer, 6. Roll call on the resolution: Yeas: Dave Waddington, Wes Poole, Blake Harris, Dennis Murray, Naomi Twine and Mike Meinzer, 6. The Vice President declared the resolution passed under suspension of the rules and in accordance with Section 14 of the city charter.

CITY MANAGER'S REPORT

- **Upon motion of Dave Waddington and second of Wes Poole, the commission voted to accept a donation of 48 face shields from Alene Candle of New Albany, Ohio, for additional personal protective equipment for Police Officers. The Vice President declared the motion passed.**
- **Upon motion of Blake Harris and second of Dave Waddington, the commission voted to accept a donation of 48 cloth masks from Chris Hurd-Clem for the Police Department. The Vice President declared the motion passed.**
- **Upon motion of Naomi Twine and second of Dave Waddington, the commission voted to accept a donation of 72 bottles of hand sanitizer from Firelands Scientific for Police Officer use. The Vice President declared the motion passed.**

- The **physical agility portion of the Civil Service testing process for new hire positions has been postponed** until the middle of June due to the COVID-19 restrictions. Candidates have all been notified of the change.
- **Aiden Fisher was hired as a Fire Fighter/EMT on the Sandusky Fire Department** on April 17. Aiden worked part-time with Huron and Perkins Fire Departments and currently is enrolled in Paramedic School.
- The municipal income tax filing deadline has been extended until July 15, 2020. The city will **no longer have an employee available to assist with filing municipal income taxes**. For income tax assistance, residents can contact the Regional Income Tax Agency at 1.800.860.7482 or visit their website, www.ritaohio.com. Tax payments can also be made at the Customer Accounting Office in City Hall located at 240 Columbus Avenue.
- **Water and sewer bills can be paid** by visiting the city's website: www.cityofsandusky.com/BillPay using one of the following options:
 1. Automatic Bill Pay (ACH) is available and free. ACH is where the monthly bill amount comes directly out of a bank account at no cost. Just fill out the ACH form and return it along with a deposit slip or voided check from a bank account. Documents can be returned by placing them in the drop box located on East Washington Row and Columbus Avenue.
 2. Pay online by clicking 'View' or 'Pay Your Bill Online'. Register for an account or sign in. Customers can also choose to pay online with one-time pay and registration is not required. There is an online service fee of \$3.25 for online bill pay.
 3. Those who prefer paying with a check can use the drop box located curbside at the corner of East Washington Row and Columbus Avenue (no coins), or mail payments to 240 Columbus Avenue, Sandusky, OH 44870. Call 419.627.5893 between the hours of 7 a.m. and 5 p.m., Monday through Friday, to talk with a Customer Accounting Office representative.
- The **asphalt plants are now open for the 2020 season**. The traveling public is encouraged to report potholes by calling 419.627.5829 or emailing: Web_Potholes@ci.sandusky.oh.us.
- New signs have been posted reminding all who enjoy the waterfront **it is important to not feed the wildlife**. This is not only bad for the animals, but it also contributes to poor water quality, over-population of geese and causes damage to our property.
- On May 5, the **intersection of Fifth and Ogontz Streets will transition to a four-way stop**. The change is meant to improve pedestrian safety and traffic flow in the area surrounding the new Sandusky primary school on Ontario Street. In addition, crosswalks will be painted at several new locations throughout the Fifth Street corridor as well as at Fourth and Third Streets.
- **Upon motion of Dave Waddington and second of Naomi Twine, the commission voted to authorize ODOT to proceed with the State Route 6 project award.**

Discussion: Eric Wobser said on Thursday, bids received by ODOT exceeded the Engineer's estimate of cost for the State Route 6 resurfacing project. The state has requested a commitment to spend an additional \$18,192 (city portion) prior to awarding the project. The increase is related to unit price increases, but they will not specify which items until after the city agrees to award the project as bid. At this time, staff is requesting commission approval. A more detailed explanation with specific increases will be provided for a formal amendment to Resolution 013-20R passed at the last City Commission meeting. Dennis Murray said he does not think the city has a lot of choice. This project was to be paid at fifty percent by the state and to not proceed with repaving of State Route 6 would be a major mistake and agrees we need to do this.

Roll call on the motion: Yeas: Dave Waddington, Wes Poole, Blake Harris, Dennis Murray, Naomi Twine and Mike Meinzer, 6. The Vice President declared the motion passed.

- The **2020 Yard Waste service** will resume on May 1 for all residents who are currently enrolled in the program.
- On April 23, the city announced the results of the **Local Business Relief grant** program. In total, the city was able to allocate \$165,000 to 87 eligible business, with grant awards ranging from \$500 to \$3,000 each. These funds are helping aid local businesses affected by the COVID-19 and local stay-at-home orders and can be used for eligible expenses including but not limited to rent and utilities. Eric Wobser thanked the City Commission for their support of this program and the *Sandusky Register* for their assistance in getting word of the program out on the street. A special thank you to John Storey in our Development Department who administered the hectic program successfully through a fairly intense two- to three- week process. He answered questions, helped folks get their applications in, got this money out the door very quickly and is grateful for his assistance.
- **Upon motion of Wes Poole and second of Dave Waddington, the commission voted to defer Revolving Loan Fund payments from May 1 to December 31, 2020.**

Discussion: Eric Wobser said as has been the case with multiple lenders locally and nationally, Revolving Loan Fund (RLF) payments are being deferred to both individuals and businesses to aid during the COVID-19 pandemic. Loans including student and car loans and home mortgages, to name a few, and the length of time being offered for deferment has varied generally between three and six months. Recently, the staff has been asked by Wes Poole to consider deferring RLF payments for local businesses and offering zero percent interest during this time. Staff supports this idea and would ask the City Commission to consider deferring RLF payments and offer zero percent interest from May 1, 2020 – December 31, 2020. Any entity willing or able to continue making loan payments would be able to do so at zero percent interest with the entire payment being applied to the principal loan balance.

Roll call on the motion: Yeas: Dave Waddington, Wes Poole, Blake Harris, Dennis Murray, Naomi Twine and Mike Meinzer, 6. The Vice President declared the motion passed.

- The **Planning Commission meeting** is scheduled for May 27 at 4:30 p.m.
- The **Board of Zoning Appeals meeting** is scheduled for May 21 at 4:30 p.m.
- The **Landmark Commission meeting** is scheduled for May 20 at 4:30 p.m.
- The **Public Arts and Culture Commission meeting** is scheduled for May 19 at 5:15 p.m. It has yet to be determined if meetings during the month of May will be held remotely or in City Hall.
- **Upon motion of Dave Waddington and second of Blake Harris, the commission voted to allow weekly dockage rates at the Paper District Marina.**

Discussion: Eric Wobser said in light of the challenges boat storage facilities and marinas are having during this time, Tow Boat U.S., the manager of the Paper District Marina, will offer a weekly rate for dockage through the month of May. The proposed weekly transient rates are:

1. 37' - 43' boat: \$288.00
2. 32' - 36' boat: \$256.00
3. 31' - 28' boat: \$224.00

4. 27' and under: \$192.00
5. 43' - 60': \$400.00 (*two docks available*)

The weekly option is for owners who have to put their boat in the water but are unable to do so because their marina may not be accepting boats for the season due to delays associated with the COVID-19 pandemic. To limit the spread of COVID-19, the marina restrooms will remain closed until further notice during this time. Boaters will be directed to go to a local fuel pier pump-out boat. Also, marina staff will make sure boaters understand the 6' rule of social distancing by staggering boats (bow-in on even numbered docks and stern-in on odd numbered docks). Dennis Murray said he will abstain as he owns a minority interest in a competing marina.

Roll call on the motion: Yeas: Dave Waddington, Wes Poole, Blake Harris, Naomi Twine and Mike Meinzer, 5. Abstain: Dennis Murray, 1. The Vice President declared the motion passed.

- **Upon motion of Dave Waddington and second of Blake Harris, the commission voted to hold special Work Sessions on May 18, June 15 and July 20, 2020 at 6 p.m.**

Discussion: Dave Waddington said he would like to schedule Work Sessions between City Commission meetings and keep them at 45 minutes to one hour in length. This will be to have updates provided regarding the budget and what is going on for local businesses. Meeting only twice each month is tough and suggested trying this for two or three months, not for the entire year. Eric Wobser said a Work Session is in order and he had asked about providing these updates via email or a special meeting for this purpose. Dave Waddington said he thinks it would be helpful for all of the commissioners to have this information at the same time and there will be a lot of moving components, at least for the next two or three months. Dennis Murray said his understanding is Work Sessions are for the commissioners and the staff to have discussion and it is a good idea. Leadership bodies like the City Commission are meeting more frequently during this period of crisis so there is better communication and updates as suggested. Naomi Twine said she thinks this is a great idea. Trevor Hayberger said if the commission would like to have discussions, it is easier to have Work Sessions/Special Meetings rather than through email. Dennis Murray said a Work Session would dispense with a lot of the formalities which normally come with a regular meeting and this is more of a conversation with staff and commissioners. Wes Poole said the commissioners do need to get a handle about what is going on and suggests whatever staff is working on, especially with layoffs, can be provided by Eric Wobser in advance of the Work Session to provide feedback about what should occur based on what he provides. It does not make sense to come in and absorb a lot of information, talk about it and make a decision all in one piece as that would not likely be productive. The frequency of these Work Sessions could be determined as we go along; the point is for the commissioners to know and discuss changes about city staff and the services we provide before they are made. He said waiting until May 18 would be too late. Dennis Murray said he does not think that is the plan and staff is working in real time now. It is the City Manager's intent to push out as much as he can in terms of communication, but if the commission meets on a Monday and he is expected to tell of his plans on a Friday, there is a whole lot of time and events that lapse. He will provide as much information as he can about the budget but some of this is pretty fluid and he would be uncomfortable with that in terms of a crisis. Mike Meinzer said he is okay with knowing about the services which may be cut at a meeting but does not like the idea of knowing which employees are to be laid off prior to telling them as it may get back to them and this is how rumors start. He would assume the Human Resources staff and the City Manager have these conversations face to face in real time with the employees. Dennis Murray said Eric Wobser does not need commission approval to lay off employees and assumes he would be involved in the dialog with the commission about decisions going forward where he does needs feedback. The need for drastic budget cuts is apparent.

Roll call on the motion: Yeas: Dave Waddington, Wes Poole, Blake Harris, Dennis Murray, Naomi Twine and Mike Meinzer, 6. The Vice President declared the motion passed.

OLD BUSINESS

None.

NEW BUSINESS

Upon motion of Dave Waddington and second of Mike Meinzer, the commission voted to reduce their (commissioners) salary by ten percent, effective with the current pay period, through December 31, 2020.

Discussion: Dave Waddington said all seven commissioners certainly understand the gravity of these times due to the layoffs and income tax revenues as a result of the COVID-19 virus. We expect this from our employees and we can take the initiative from the top and it will only be about \$2,200 and every little bit will help out.

Roll call on the motion: Yeas: Dave Waddington, Wes Poole, Blake Harris, Dennis Murray, Naomi Twine and Mike Meinzer, 6. The Vice President declared the motion passed.

Dennis Murray said the **Sandusky City Schools (SCS) have announced “Books for Blue Streaks” which is a very wonderful program in an effort to get parents and students to turn off their technology from 6 p.m. to 7 p.m., Monday through Friday.** The premise is to instead read for one hour. Many understand what our parents, teachers and students are going through as we move to online learning. We are quickly adapting to a brand new world. As commissioners, we have been asked to make arrangements to do public service announcements supporting this effort and someone from SCS will be reaching out for this purpose.

Kelly Kresser said she spoke with all of the commissioners individually last week and said this is a bittersweet moment, but has made the decision to retire in August. She started with the city in 1987 after being hired by then-City Manager Frank Link and was appointed to the position of Commission Clerk in January of 2010. She said she worked directly for five City Managers and two Interim City Managers in her first 23 years and has worked closely with over 40 different elected officials during her 33 year career. She is hopeful Sandusky is going to recover from its current economic turmoil and will continue to follow its progress from the sidelines. She has always been proud to call Sandusky her home and definitely looks forward to the next chapter in her life. Dennis Murray said it has been an absolute delight to work with Kelly in the six years he was the Commission President. She has supported the entire commission with incredible dedication, loves this city and this has been evident every single day he spoke with her and she will be sorely missed. The commissioners will be pressed to find someone to fill her shoes. This was a very difficult decision and congratulated her on being able to make this move and wishes her the best. She will be a tremendous trainer and mentor to whoever it is that fills her large shoes. He would anticipate an Executive Session will be held at the next meeting to discuss how to proceed. Dave Waddington thanked Kelly Kresser and said he probably has the most years working with her on the commission. She was always available for his calls and requests and was always the face of the City Commission in her position. Naomi Twine extended congratulations and appreciates all of the help given by Kelly to the commission. When she (Naomi) started volunteering for various boards with the city prior to becoming an elected official, Kelly Kresser was one of the first faces in the process and appreciates her, what she has done, her love for the city and for the job she does. Blake Harris said his transition as a commissioner was made very smooth and oftentimes she (Kelly) has put the city at the forefront and spent countless hours making sure we continue to trend in the right direction. He looks forward to Kelly being able to put those who mean most to her first. Wes Poole congratulated Kelly and said she has been an all-star employee at every job she has ever done and always represented us well and wished her the best going forward. Mike Meinzer said he had the pleasure to work for the city the day Kelly walked in and remembers when she started as a young lady. She has done a lot of good work for the city and knows her heart is in the City of Sandusky. Eric Wobser said he started as the City

Manager almost six years ago and if not for Kelly, he would still be looking for the stapler and learning how this placed worked. Even though she was a commission employee at that time, she took him under his wing, introduced her to all of the people he needed to talk to, helped him to understand how to navigate the different personalities of the commissioners and does so much for so many of us - not only those on staff. Her decision is made not only to spend time with her growing family, but also to make sure the city can stay strong, is so grateful for what she has done for Sandusky and cannot wait to celebrate in this transition.

Dennis Murray said the swiftness of the **economic damage brought about by the pandemic** has been breathtaking to him. His concern is some of our constituencies may not yet fully appreciate the city's financial crisis. Whether Cedar Point opens or not, we do indeed face a crisis. The question is how deep this is going to be. If our revenues are down \$10 million, or some 42% of our general fund, we will be looking at a reduction in services the likes of which we have never seen. With this much of a shortfall, we will have trouble mowing the grass and will be lucky to keep two of three fire stations open. There are those who will argue – wrongly – that the City of Sandusky misspent funds during the good years but as the farmer's say, 'you have to make hay while the sun shines', and we did exactly that. The improvements Sandusky has made to itself have ratcheted up our ability to attract and retain residents and improve the long-term quality of life in Sandusky. These will not be taken away by this economic crisis and when it is over, we will be in a stronger position because of these investments. There are those who will argue that money spent on capital projects such as the Jackson Street Pier or City Hall should have been held in reserve for a crisis such as this. Some make these arguments because they do not know better and it is up to us (the commission) to explain, but some do know better and make these arguments nonetheless. The fact of the matter is we entered this crisis with a record reserve equal to 20% of our general operating fund. To put this into context, Ohio's rainy day fund, also at a record, is only four percent of the state's general fund. Proportionately then, Sandusky's reserve is approximately five times as large as the state's. We have saved and we have prepared. Likewise, our general obligation debt (debt paid out of the very same funds that pay for our operating expenses such as police and fire) is at a record low point. No government can or does make plans for the economic crisis precipitated by a pandemic. Over the last five plus years that we have had Issue 8 funding, if we had not spent a dime of that initial revenue, we would still be woefully short in reserves to meet the challenge ahead. Had we frozen expenditures and not boosted paving, improvements to streets, parks and trees and had simply banked the money, there would be calls to increase spending or eliminate the tax increase and asked where we would be now if we had. The answer is either right where we are now or even further behind than we are today. If we had taken the TIF money being used for the Jackson Street Pier project, Shoreline Drive or for the Sports Center and numerous other capital projects and instead spent these dollars on personnel or saved them with our reserves, someone would go to jail. Government is very much about fund accounts and for various and good reason. This is essential to transparency and accountability. We might later wish we could yield back the money we spent on various capital projects to spend them on operations instead, but in addition to being illegal, the problem with always maximizing operational dollars at the expense of capital improvements is that it leads to bloat against which governments are always fighting. If all of the funds available can be used for operations, eventually nothing is spent on capital projects. Operations are essential but capital projects provide the long-term return that change the trajectory of a community, a trajectory which has been changing as we have seen in the last several years. Some argue the current crisis was foreseeable and that Sandusky relied too much on tourism dollars. To be certain, Sandusky punches well above its weight but we are not a national government or an international organization charged with protecting public health. We are, and we only are, a city government and to suggest we should have seen this pandemic coming or built a reserve to its equal is utter nonsense. Others argue we have relied too heavily on tourism dollars, specifically the admissions tax and the hotel and lodging tax, but it was only a few years ago we were at exactly the opposite argument that we did not tax tourism enough. The fact of the matter remains Sandusky's income tax is well below that of the average Ohio citizen which today is over 1.5%. Other cities with comparable demographics have an average of approximately 2.25%. Sandusky's income tax stands at a low 1.25%. With robust admissions and hotel/lodging taxes, we have been able to keep the income tax artificially low and well below levels to provide the

level of services our citizens rightly demand. But with the body blows to these two other revenue sources, it is clear we will be unable to provide anything close to the level of services people have come to expect in the next two years or so. We will look to our state and federal representatives to communicate this especially difficult position in which Sandusky uniquely finds itself. We remain hopeful there will be some form of financial assistance to local governments but with the comments from the leader of the United States Senate that state and local governments should seek bankruptcy protection, he is not too encouraged about that prospect. Under these circumstances, we must and we will make painful choices. Prior to Issue 8, he and others spoke of cutting the budget to the bone but this situation is now somewhat worse today. The cuts will be deeply felt and our administrative staff is already making gut-wrenching plans about layoffs and devastating cutbacks in services. These decisions are as unenviable as they are inevitable. He hopes the commissioners will join him in supporting staff as they do what we must. For those who must be laid off, he expresses his deep appreciation for their service and their angst at the coming hour.

ADJOURNMENT

Upon motion of Dave Waddington and second of Blake Harris, the commission voted to adjourn at 6:26 p.m. The Vice President declared the motion passed.



Kelly L. Kresser, CMC
Commission Clerk



Richard R. Brady
Vice President of the City Commission