

The President called the meeting to order at 5:00 p.m. after the Invocation, given by Mike Meinzer, and the Pledge of Allegiance.

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

City staff present: Eric Wobser – City Manager, Stuart Hamilton – IT Manager

City staff via teleconference: Michelle Reeder – Finance Director, Matt Lasko – Chief Development Officer, Aaron Klein – Director of Public Works, John Orzech – Police Chief, Jim Green – Acting Fire Chief, Justin Harris – Acting Law Director, McKenzie Spriggs – Commission Clerk.

Upon motion of Dave Waddington and second of Naomi Twine, the commission voted to approve the Minutes of the September 14 meeting and suspend the formal reading. The President declared the motion passed.

PRESENTATION

Laurie Brody represented Auditor of State through as the NW Regional Liaison. She presented the Finance Department with the Ohio Auditor of State Award with Distinction. She noted this award puts Sandusky in a very select group, the state auditor's office audits roughly 5900 entities per year including schools, municipalities, etc. Only about 3-5% are eligible for this award. She noted Sandusky was awarded this in previous years and congratulations again. She cited what it takes to get this award: it is awarded upon completion of a financial audit that meets the following criteria of a clean audit. You must complete a comprehensive annual report within six (6) months of fiscal year end, have a clean audit with no findings for recovery, material citations, material weaknesses, significant deficiencies, single audit findings or question costs. The entity must have no other financial concerns. The management letter contains no comments related to ethics referral question costs less than \$10,000, lack of timely reporting, reconciliation issues or failure to obtain a timely single audit, findings for recovery or public meeting or public records issue. This award represents the hard work of every city employee who strives each day to achieve accounting excellence. She recognized Eric Wobser and the city commissioners who have done an excellent job accounting for every dollar within the city. She specifically recognized Michelle Reeder and the finance staff for their outstanding leadership and professionalism, and their commitment to fiscal integrity. She noted once more that this award was given to the City of Sandusky in both 2018 and 2019. She said it is a big honor and the auditor thanks them for all their hard work.

Discussion: Dick Brady said thank you to the Auditor for this award and it goes without saying that we are in very select company, looking at that 3-5%. We have won this award before and we will never take it for granted. He said the finance staff works tirelessly to account for every dollar and obviously, they are doing it very well.

AUDIENCE PARTICIPATION

Tim Schwanger, 362 Sheffield Way, regarding Consent Agenda Item B: The budget amendment includes budget cuts in the Police and Fire Departments approximating \$600,000. Police and Fire staffing is currently at a low point when compared to recent history. Basic city services must be the number one priority when spending taxpayer dollars.

The City Manager and City Commission must reconsider moving forward with hiring a Municipal Financial Advisor and maintaining the position of Assistant City Manager which created the spending of an additional \$90,000 plus benefits for a new Police Chief. These are only 2 examples of major spending practices the City Commission needs to bring under control during these times of financial uncertainty.

Sharon Johnson, 1139 Fifth Street, regarding Item #2: Why is the city spending \$147,000 paving Jaycee Park's entryway instead of prioritizing expenditures?

CURRENT BUSINESS

Upon motion of Dennis Murray and second of Naomi Twine, the commission voted to accept all communications. The President declared the motion passed.

CONSENT AGENDA

The President asked if the commissioners wished to remove any of the items on the Consent Agenda. Wes Poole wished to move Item B, budget amendment #2, to the regular agenda.

ITEM A – Submitted by Greg Voltz, Planner

APPROVING A PLANNED UNIT DEVELOPMENT ON FIRST STREET (SECOND READING)

Budgetary Information: There is no budgetary impact to the general fund with this proposed legislation.

ORDINANCE NO. 20-134: It is requested an ordinance be passed amending the official zone map of the city of Sandusky to rezone Parcel Nos. 57-01424.000 and 57.04125.000, located at 1643 First Street, for a residential Planned Unit Development and approving the preliminary plans for the proposed planned unit development.

ITEM C – Submitted by Tom Horsman, Assistant Planner

CONTRACT WITH SERVING OUR SENIORS FOR TRANSPORTATION SERVICES WITH SANDUSKY TRANSIT SYSTEM

Budgetary Information: STS will bill at a per-mile rate, as established in the Contract, from ECJFS for the length of the proposed contract. The revenue from this agreement will be used as matching grant funds for the Ohio Department of Transportation (ODOT) Program Grant.

ORDINANCE NO. 20-135: 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 Serving Our Seniors (SOS) for the period of October 1, 2020, through September 30, 2021; and declaring that this resolution shall take immediate effect in accordance with Section 14 of the city charter.

ITEM D – Submitted by Tom Horsman, Assistant Planner

LEASE AGREEMENT WITH SERVING OUR SENIORS FOR VEHICLES FOR SANDUSKY TRANSIT SYSTEM

Budgetary Information: There is no additional cost associated with this. It is intended to cooperatively plan for the future of transit services in Sandusky, Erie County political subdivisions and Local Agencies.

ORDINANCE NO. 20-136: It is requested a resolution be passed authorizing and directing the city manager to enter into a lease agreement with Serving Our Seniors (SOS) for the purpose of leasing five (5) transit vehicles for use by the Sandusky Transit System for the period of October 1, 2020, through September 30, 2021; and declaring that this resolution shall take immediate effect in accordance with Section 14 of the city charter.

ITEM E – Submitted by Tom Horsman, Assistant Planner

CONTRACT WITH ERIE COUNTY DEPARTMENT OF JOB AND FAMILY SERVICES FOR TRANSPORTATION SERVICES WITH SANDUSKY TRANSIT SYSTEM

Budgetary Information: STS will bill at 2.85 per passenger mile rate, as established in the Contract, from ECJFS for the length of the proposed contract. The revenue from this agreement will be used as matching grant funds for the Ohio Department of Transportation (ODOT) Program Grant.

ORDINANCE NO. 20-137: It is requested an ordinance be passed authorizing and directing the city manager to enter into a contract for transportation services between the city of Sandusky and the Board of County Commissioners of Erie County for the Department of Job and Family Services for the period of October 1, 2020, through September 30, 2021; and declaring that this resolution shall take immediate effect in accordance with Section 14 of the city charter.

ITEM F – Submitted by Debi Eversole, Housing Development Specialist**ACCEPTANCE OF NINE (9) PARCELS INTO LAND REUTILIZATION PROGRAM**

Budgetary Information: The cost of these acquisitions will be \$1,360.00 to pay for the title exams and transfer fees. This expense will be paid out of the Land Bank expense account and will be recouped upon sale of the properties. The City will not collect the approximately \$5,712.00 owed to the City in special assessments, nor will the taxing districts collect the approximately \$39,732.00 owed in delinquent taxes. However, all or part of these delinquencies may be recouped and reimbursed upon the sale of the parcels. As the properties are put back into tax producing status, the taxing districts will once again begin collecting real estate taxes of approximately \$9,334.00.

RESOLUTION NO. 039-20R: It is requested a resolution be passed accepting certain real property for acquisition into the Land Reutilization Program; and declaring that this resolution shall take immediate effect in accordance with Section 14 of the city charter.

ITEM G – Submitted by Troy Vacarro, Fleet Maintenance Chief Foreman**PERMISSION TO DISPOSE OF VEHICLES AND MISCELLANEOUS ITEMS**

Budgetary Information: Proceeds from the sale of the items will be placed into the City's Issue 8 Fund and the General Fund.

ORDINANCE NO. 20-138: It is requested an ordinance be passed authorizing and directing the city manager to dispose of vehicles and miscellaneous items as having become unnecessary and unfit for city use pursuant to Section 25 of the city charter; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

ITEM H – Submitted by Troy Vacarro, Fleet Maintenance Chief Foreman**PERMISSION TO DISPOSE OF PERSONAL PROPERTY AND EQUIPMENT**

Budgetary Information: Proceeds from the sale of the items will be placed into the City's General Fund.

ORDINANCE NO. 20-139: It is requested an ordinance be passed authorizing and directing the city manager to dispose of personal property and equipment as having become unnecessary and unfit for city use pursuant to Section 25 of the city charter; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

ITEM I – Submitted by McKenzie Spriggs, Commission Clerk**LIQUOR PERMIT MEMBERSHIP CHANGE**

The city has received a Notice of Legislative Authority for a D5J (community entertainment district) and a D6 (sale of intoxicating liquor on Sunday between the hours 10:00am or 11:00am and midnight) liquor permit change for Crush Winebar LLC at 139-145 Columbus Avenue. **It is requested the Commission Clerk be authorized to notify the Ohio Division of Liquor Control the city has no objection to this transfer.**

Upon motion of Mike Meinzer and second of Dave Waddington, the Commission voted to accept the Consent Agenda and declare all ordinances and resolutions as drafted and presented to the City Commission under the Consent Agenda shall take effect in full accordance with the Section reflected in the ordinances or resolutions whether they be in accordance with Section 13 or Section 14 of the City Charter.

Roll call on the motion: Mike Meinzer, Dave Waddington, Wes Poole, Blake Harris, Dennis Murray, Dick Brady, Naomi Twine, 7. Roll call on the ordinances and resolutions: Mike Meinzer, Dave Waddington, Wes Poole, Blake Harris, Dennis Murray, Dick Brady, Naomi Twine, 7. The President declared the ordinances and resolutions contained in the Consent Agenda passed in full accordance with the city charter.

REGULAR AGENDA

ITEM #1 – Submitted by Michelle Reeder, Director of Finance (formerly Item B on the consent agenda)

BUDGET AMENDMENT #2

Budgetary Information: Appropriation amendments are required to update the 2020 budget. Examples include, but are not limited to: General Fund, Corona Virus Relief Funds, Brownfield Grant, Capital Project Funds, Water Funds, and Sewer Funds.

ORDINANCE NO. 20-140: It is requested an ordinance be passed adopting Amendment No. 2 to Ordinance No. 20-058 passed by this city commission on March 23, 2020, making general appropriations for the fiscal year 2020; and declaring that this resolution 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 full accordance with Section 14 of the city charter.

Discussion: Michelle Reeder answered the audience participation question. This budget amendment is just an adjustment to our budget that we passed initially, as COVID-19 hit in March. We said we would come back to commission and make adjustments as necessary. The first part of this amendment, there are over \$2.9M in adjustments to the general fund. This is not because we are doing additional cuts, this reflects what we have already happen this year. Again, no additional cuts are outlined here, we have had attrition, people have retired, administration pay cuts, and regular budget amendments for items we did not want to expense this year, when we went back through the budget. That sums up what this budget amendment is doing.

Roll call on the motion: Yeas: Mike Meinzer, Dave Waddington, Wes Poole, Blake Harris, Dennis Murray, Dick Brady, Naomi Twine, 7. Roll call on the ordinances and resolutions: Mike Meinzer, Dave Waddington, Wes Poole, Blake Harris, Dennis Murray, Dick Brady, Naomi Twine, 7. Nays: 0. The President declared the ordinance passed under suspension of the rules and in accordance with Section 14 of the city charter.

ITEM #2 – Matt Lasko, Chief Development Officer

PURCHASE AND SALE AGREEMENT FOR THE PROPERTY LOCATED AT 1501 SOUTH FOREST DRIVE

Budgetary Information: The City will be responsible for paying \$25,000 (plus closing costs) for the purchase of the property located at 1501 South Forest Drive. The source of funding is the Real Estate Development Fund.

ORDINANCE NO. 20-141: It is requested an ordinance be passed authorizing and directing the city manager to enter into a purchase and sale agreement for the purchase of real property located at 1501 South Forest Drive, Sandusky, and identified as Parcel No. 58-01925.000 for the purpose of blight elimination and demolition; 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 Mike Meinzer, the Commission voted to approve this ordinance under suspension of the rules and in full accordance with Section 14 of the city charter.

Discussion: Matt Lasko said it probably feels like we bring one of these to every meeting or every other. As a reminder, this is an advancement of the Neighborhood Initiative Plan, specific to the south side neighborhood, where one of the recommendations was to strategically acquire and demolish properties around the MacArthur and Churchwell Park area. We have been doing that fairly aggressively with our partners at the Erie County Land Reutilization Corp. This is an advancement of that. Before commission is a purchase of a two unit property on S. Forest. The purchase price will be \$25,000, there will be additional legislation down the road for the demolition of this property, utilizing CDBG funds. As a two unit property at \$25,000, this is identical to the two unit property that was approved by Commission in July at 2106 Parkview. They are fairly identical in size and price.

Dick Brady said he is pleased we continue to claw property into our ownership. We eat an elephant one bite at a time. There are more parcels to acquire, but we are certainly not over paying for these. The market sets the price and we see that here.

Roll call on the motion: Yeas: Mike Meinzer, Dave Waddington, Wes Poole, Blake Harris, Dennis Murray, Dick Brady, Naomi Twine, 7. Roll call on the ordinances and resolutions: Mike Meinzer, Dave Waddington, Wes Poole, Blake Harris, Dennis Murray, Dick Brady, Naomi Twine, 7. Nays: 0. The President declared the ordinance passed under suspension of the rules and in accordance with Section 14 of the city charter.

ITEM #3 – Submitted by Jane Cullen, Project Engineer

CONTRACT WITH ED BURDUE & CO. LLC FOR JAYCEE PARK CONNECTOR TRAIL PROJECT

Budgetary Information: The cost of the construction contract is \$143,326.03 will be funded with the Capital Fund (Sandusky Neighborhood Initiative).

ORDINANCE NO. 20-142: It is requested an ordinance be passed authorizing and directing the city manager to enter into a contract with Ed Burdue & Co. LLC, of Sandusky, Ohio, for the Jaycee Park Connector Trail Project; 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 Mike Meinzer, the Commission voted to approve this ordinance under suspension of the rules and in full accordance with Section 14 of the city charter.

Discussion: Eric Wobser answered the public participation question and added the funds for this are actually Sandusky Neighborhood Initiative project funds. They are predominantly from the Dorn Foundation. We have consolidated those and other capital dollars which would not easily be redistributed to other projects. We did want to make sure we maintained a modest capital budget for parks, even as we reduce across the board. Our goal is not to reduce spending for any one program entirely, anywhere.

Roll call on the motion: Yeas: Mike Meinzer, Dave Waddington, Wes Poole, Blake Harris, Dennis Murray, Dick Brady, Naomi Twine, 7. Roll call on the ordinances and resolutions: Mike Meinzer, Dave Waddington, Wes Poole, Blake Harris, Dennis Murray, Dick Brady, Naomi Twine, 7. Nays: 0. The 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

CONTRACT WITH ED BURDUE & CO. LLC FOR 2020 SHARED DRIVEWAY CONSTRUCTION PROJECT

Budgetary Information: The estimated cost of the project including engineering, inspection, advertising, construction and miscellaneous costs, is \$33,295.69. The full project will be paid from the Real Estate Development Fund. The Real Estate Development Fund will be reimbursed with proceeds from the sale of the five (5) parcels abutting the easement/shared driveway.

ORDINANCE NO. 20-143: It is requested an ordinance be passed authorizing and directing the city manager to enter into a contract with Ed Burdue & Co. LLC, of Sandusky, Ohio, for the 2020 Shared Driveway Construction Project; 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 Mike Meinzer, the Commission voted to approve this ordinance under suspension of the rules and in full accordance with Section 14 of the city charter.

Roll call on the motion: Yeas: Mike Meinzer, Dave Waddington, Wes Poole, Blake Harris, Dennis Murray, Dick Brady, Naomi Twine, 7. Roll call on the ordinances and resolutions: Mike Meinzer, Dave Waddington, Wes Poole, Blake Harris, Dennis Murray, Dick Brady, Naomi Twine, 7. Nays: 0. The President declared the ordinance passed under suspension of the rules and in accordance with Section 14 of the city charter.

CITY MANAGER'S REPORT

- **Upon a motion from Naomi Twine and second of Dennis Murray, the commission voted to accept sculptures on loan, from the Lange Trust of the Sandusky Library. The President declared the motion passed.**
Discussion: Eric Wobser explained the Lange Trust of the Sandusky Library has generously donated a third year of sculptures through the sculpture on loan program provided by the Midwest Sculpture Initiative. The 8 new selected sculptures and their respective locations were unanimously approved by the Public Arts and Culture Commission.
- **Upon a motion of Dennis Murray and second of Naomi Twine, the commission voted to accept an in-kind donation from the Ohio State University Alumni Club, valued at \$700 to honor Jim Corso at Facer Park. The President declared the motion passed.**
- *Discussion:* Eric Wobser explained The Ohio State University Alumni Club of Erie County installed a memorial honoring Jim Corso at Facer Park. The full donation includes perennials from Barnes Nursey and a plaque from Balconi Monuments.
- **Upon a motion from Naomi Twine and second of Dennis Murray, the commission voted to accept zinnias and in-kind labor from Barb Manner. The President declared the motion passed.**
- *Discussion:* Eric Wobser explained in addition to planting and maintaining the zinnias at the entrance to Lions Park this year, Barb Manner has sanded and re-painted the lion statues.
- Congratulations to **Jared Oliver, who has been named as the next Police Chief.** A firm start date will be set in the next couple of weeks. Eric Wobser thanked Commissioner Naomi Twine and the committee who assisted with the Police Chief Search.
- We have **selected a final candidate, Brenden Heil, for the Law Director position.** Commissioner Dennis Murray helped with that process and he will be at the October 12th commission meeting.
Discussion: Dennis Murray added that they had some really excellent candidates and he's excited about the young man coming in. He talked with all the commissioners about that process and thinks the commission will be impressed when they meet the young man.
Dick Brady thanked Dennis Murray for his service on that selection committee and said these are critical roles that the commission has played a role in filling.
- On October 4, Firefighter **Derrick Shepherd will retire after 30 years** of honorable service from Sandusky Fire Department. Firefighter Shepherd was one of the City of Sandusky's first paramedics and was known for his calm demeanor in handling chaotic emergency situations. We would like to thank him for his dedicated 30 years of service and wish him a happy and healthy retirement.
- The City will be carrying out a **Request for Qualifications for a municipal investment advisor in the upcoming weeks.**
- The **Schade-Mylander Plaza fountain has been turned off for the season**, as the plastic line that connects to the filtration system is in-need of repair and further operation of the fountain prior to the repairs could cause damage. Additionally, mortar repair work is currently being performed around the plaza.
- Various divisions have **begun routine winterization throughout the City, including removal of docks and buoys, draining of park fountains and closure of restrooms and other facilities**, saving any facility in-use for business or recreation until last unless weather/temperatures dictate otherwise. On Monday, November 2, Streets crews will

implement winter traffic patterns on the Milan Road overpass at the Butler Street off-ramp.

- Residents are reminded that there are two fall clean-up opportunities available free-of-charge: **Drive-Thru Drop-Off Day will take place on Saturday, October 10th** at the Shelby Street Boat Launch overflow parking lot. Residents are welcome to **drop-off yard waste at Barnes Nursery, 1630 Camp Road, Huron, on Saturday, October 17 and Sunday, October 18**. For further details, please contact 419.627.5829.
- The regular **Planning Commission meeting for October 28 is scheduled at 4:30 PM**.
- The regular **Board of Zoning Appeals meeting for October 15 is scheduled at 4:30 PM**.
- The regular **Landmark Commission meeting for October 21 is scheduled at 4:30 PM**.
- The regular **Arts and Culture Commission meeting for October 20 has been scheduled at 5:15 PM. All of these meetings will be held remotely for the time being**.

OLD BUSINESS

NEW BUSINESS

Wes Poole said he voted yes on the project for Jaycee Park because he likes the project and believes we should have done it a long time ago because it connects the neighborhoods. He thinks the public comments are appropriate in regard to the priorities set by the city. He suggests that it is a philosophy that we want to spend a little bit of money everywhere. He does not support that as some services are more valuable than others. He does not see any way that he supports the concept, with a city of less than 25,000 people experiencing the budget problems we have, that we bring in an assistant city manager. He does not see the work to justify that expenditure. We have a significant increase in the amount of crime and that is not taken care of by more oversight. That is fixed by boots on the ground. The money that has been taken out of the budget represents salaries of people that have retired and we are stretching our police department, working them harder and seeing crime increase. He does not see any reason to hire an assistant city manager. We do not have money to do a justice center, and the justice center should be overseen by the new police chief. Having the old police chief oversee the new police chief as has been put forward by the manager, he is not sure that is a good process. The new chief should be able to run his department without the old chief telling him what to do, and he should have an opportunity to mold his department the way he chooses.

Dennis Murray said it would be a waste to throw away the years of experience and knowledge that Chief John Orzech has obtained in the city. He has come to know him well enough to know he is not going to ride herd over the new chief. He is going to be a resource that is available when needed. Jared Oliver is familiar with Sandusky, being a resident, but not intimately familiar with the Sandusky Police Department and John Orzech is important for that part of the transition. He rejects the notion that management does not bring tremendous amounts of skill to the process, whether it is parks and rec or engineering or policing. There is value with an experienced management team, and it being available to the departments. He strongly supports retaining John Orzech in the assistant city manager position. If it were someone else, coming in new, it would be a different situation, but here we have someone intimately familiar with the city who is going to be a great right hand person to Eric Wobser.

Naomi Twine said having John Orzech stay on as assistant city manager brings historical background to the city of Sandusky, in addition to his connections in the community. As Dennis Murray indicated, he will not run rush hour over the new police chief. He will be a great mentor and maintain a level of consistency. He will allow enough space and opportunity so the new police

chief can do what he needs to do. One thing we forget about is the historical knowledge a person brings to a position, such as the assistant city manager, and he has a working relationship with the department heads in the city. That brings a lot to the table. She would like to maintain that type of consistency and she thinks he will be a great help to Eric Wobser. We have a lot of balls juggling in the air, the pandemic slowed things down, but she believes John Orzech is the perfect person for the assistant city manager position. Regarding the Justice Center, she has heard a lot of things in the community about it. Again, John Orzech's experience and historical knowledge, tied with everything Jared Oliver brings to the table, will help us be successful in that endeavor.

Dick Brady said he agrees with both Naomi Twine and Dennis Murray's comments. Chief Orzech and his tenure as police chief put this city on the cutting edge of community relations. He will always feel that John Orzech is responsible for guiding the department through what should have been some troubled waters in the last few years. This is not a reward for serving as police chief, he has already received his reward for that, plus a few gray hairs. This is an opportunity for this city to make use of an asset. His knowledge, experience and respect in this community is an asset and will transfer nicely into the position of city manager. He wishes him well in his next chapter.

AUDIENCE PARTICIPATION

Sharon Johnson, 1139 Fifth Street, wrote in "What does the city hope to achieve hiring an investment advisor?"

With tonight's announcement of a third firefighter leaving the city, how many firefighters does the city have to be down before a fire station closes due to the lack of personnel?

The September Finance Committee meeting produced the following facts:

Moody's reduced the city's rating from AA3 to an A1 rating.

After five years of auditing, the city auditors have suggested taking all of the department's credit cards away and placing them in the possession of the city treasurer where they belong.

The city's population growth is not substantial enough to support the city's spending.

CDBG grants are at risk if the Census does not produce desirable results so the city can stay in the program.

Cedar Point season passes will continue into 2021, collecting a one-time admission tax."

Discussion: Dennis Murray asked permission to respond to some of these right now as they are a bit more pressing and he knows a few answers.

With respect to season passes, Cedar Point is recognizing revenue in a proper but complicated accounting way. There is a concept known as revenue recognition and a timing of when that is, the admissions tax will not all be recognized in the year they were sold. It will not all be recognized this year, it will not all be recognized next year. It will come in over a period of time, according to some sophisticated rules they have. So it will not be a one time admissions tax today, tomorrow, or next year.

It is true the census results are troubling. The president has cut off the time for conducting the census, which could be hurtful to our community. He is hopeful the courts will force an extension of that. If you are listening and have not completed the census, please do it to help your city.

With respect to the credit cards, he doesn't believe it was the intent but the way the question came across says maybe there is something improper happening. That is not the case. The disconnect they cited, we are not presently handling the credit cards the way on paper we say we are going to handle the credit cards. What we are doing right now is totally fine. The issue is that we need to document it. If this were a serious problem, we would not receive the award

we did at the beginning of the meeting. The credit card issue is a comment, it is not a finding or an indication that anything has been done wrong.

There is an old saw out there that anytime the city wants to complete a project, we dip into the water and sewer funds. You would have thought that would be dead or dulled by now, but it rears its head every so often. It does not happen that way. In the city of Sandusky and throughout Ohio, and nearly every government in the United States has fund accounting. That means there are particular funds that are collected in certain accounts and those monies may only be spent in those accounts. Money that goes into water and sewer has to be spent on water and sewer. If not spent on water and sewer, someone is going to jail. There are comments circuiting and frankly he wishes people would just ask to find out the truth. Shoreline Drive was not funded by the water and sewer departments. The rates we all pay as homeowners or business owners, and yes, he too has seen the rates go up, are set according to the projects the EPA requires the city to complete. When we replace the street, we replace the water and sewer lines if needed. Those funds are appropriately charged throughout the city and for 100 years have been based on the cost of putting the water and sewer lines in the ground. When we replace Shoreline Drive, a portion was due to the water and sewer lines. Those lines were deep and old, and were installed long, long ago. Those funds are not going to other projects in the city, and it is important to note the rates were set as a result of a comprehensive rate study completed in 2015. This commission approved the rates recommended by the study, those have not changed or been added to. He wanted to set the record straight in that regard.

Wes Poole wanted to further discuss. With regard to water, is it not true that we spend water and sewer funds to account for 50% of the email system the city now uses? Please explain how that ties in to what you just said and how we arrived at the conclusion.

Dennis Murray said the city is unusual in this regard. We are not just a city, we run two major utilities. If we did not have these major utilities, we would not have the management needs or infrastructure that we have, we would not have the email needs that we have, we would not have the HR needs we have, we would not have the legal or finance needs we have. Because we are a city and two major utilities, we have a lot of other needs we have to support and those are supported in their aliquot and fair share by those two utilities.

Wes Poole said that sounded good but does not indicate that 50% of email is used on sewer or water. He would suggest that it is an arbitrary decision this commission made to use the money. We can do this every week with water and sewer money and come up with a justification for how it can be used on general fund items. Why does it matter? Because the water bills go up when the fund goes down. Granted we did set these rates, based mostly on EPA issues that we are taking care of, but to suggest that every dime the sewer and water fund is spent on goes to sewer and water, is just not accurate. With regard to credit cards, he thinks what Dennis Murray said is right, we did get a clean audit. But that audit simply states that every place you spent the money, you put in the right box on the paperwork. The problem with the credit cards is that we did not follow our own policy for managing how they are utilized. The department heads are carrying these credit cards around and using them as they choose, granted it is within some large number of the budget, which we just had to reduce. We have an obligation to take a little closer look at how the money is spent with credit cards and not hand them out to eight (8) people who just use them, and we just check the box that is spent. It is about the oversight that is not being done on it. The fact that we think we have the money to opay for it is not the issue. Management practice says you take a little more control, like keeping control of who has the credit card and what they are spending it on. That is a different perspective than Dennis Murray takes on what was written about our credit card deficiencies.

Dennis Murray said that is a brazen misstatement of the results of the audit. He would urge the public to review it for themselves and said Wes Poole either forgot what it said, did not read it,

or misunderstood it. But to suggest the money is being misspent is completely wrong, because they did not say that.

Wes Poole said he did not say the money was misspent. He said we are not managing it properly because we do not keep control of the credit cards. Because we do not keep as good of control as they said they would like. The policy we wrote that we are not following is the first point he made, and secondly, by not managing it, we do not know what the money is being spent on. We do not know about it until it is already spent, that is his point. He said Dennis Murray misunderstood what he was saying.

ADJOURNMENT

Upon motion of Dennis Murray and second of Naomi Twine, the commission voted to adjourn at 5:50 p.m. The President declared the motion passed.



McKenzie Spriggs
Commission Clerk



Richard R. Brady
President of the City Commission