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# Ashland City Council

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## MINUTES FOR THE REGULAR SESSION OF COUNCIL Tuesday, February 3, 2009

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Council President Paul Wertz called the meeting to order at 7:00 p.m.

### ROLL CALL

At-Large	Stephen L. Stuart	Present
Ward 1:	Robert L. Valentine	Present
Ward 2:	Robert M. Valentine	Present
Ward 3:	Ruth Detrow	Present
Ward 4/President	Paul Wertz	Present

### **PLEDGE OF ALLEGIANCE**

\* Paul Wertz, President of Council: Before we go on, I would like to have a moment of silence for Jim Cooper.

### **PRESENTATION OF MINUTES**

(a) Regular Session – 1/20/09

(b) Special Session – 1/23/09

*Moved Stephen Stuart and seconded by Robert L. Valentine W1 to approve the minutes as received.*

*Ayes: Stephen L. Stuart, Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz*

Minutes approved. No corrections.

### **LEGISLATION**

#### Ordinances:

#### **Ord. No. # 5-09**

Item (a) AN ORDINANCE PROVIDING FOR RETAINING SQUIRE, SANDERS & DEMPSEY, L.L.P., TO PROVIDE CERTAIN LEGAL SERVICES IN CONNECTION WITH THE PROCEEDINGS FOR NOTES AND BONDS AND OTHER LEGAL MATTERS, AND DECLARING AN EMERGENCY.

*Moved by Robert M. Valentine W2 for non-reading in full and seconded by Stephen Stuart to invoke Section 113.01 of the Codified Ordinances as the distribution of this Ordinance has satisfied the requirements of said Section and that a further reading be dispensed with at this time.*

*Ayes: Stephen Stuart, Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz.*

Comments:

**Mayor Stewart:** I would say, from my point of view, Squire, Sanders and Dempsey have been a long-term provider of these services, have a significant history with the community and I am sure their past service would indicate they are qualified to continue in this manner.

**Robert L. Valentine W1:** I have been very fortunate to have experience in other Boards, i.e., Board of Education, County Commissioners and such. At that time, we dealt with them too. I can't remember anything that wasn't anything but very positive. I feel they are probably one of the best, better law firms in the State of Ohio.

**Anna Tomasek, Finance Director:** I would like to make a comment please. I have basically general comments on the overall Financing plan on this Fire Pumper-Truck and my viewpoints speak for itself regarding this Ordinance. With the Actuary events occurring in the financial markets since October 2008, it had and it will continue to have significant impact on the Municipal tax-exempt market. In fact, the City of Sandusky on October 15, 2008 had a failed sale on their debt and the City of Ashland went out to market the very next day on October 16<sup>th</sup>. We had 8,863,000.00 various purposed Note. At that time because of the City of Sandusky, we decided that we could not have a competitive sale; we went with a negotiated sale, thus the City of Ashland had to find a buyer first for this large Note. Now we have a \$200,000 dollar Note for our Fire Pumper truck. This is going to be even more challenging to go to the market and to obtain a competitive or even a negotiated buyer. My efforts as Finance Director, I have researched alternative cost-saving debt methods for the City of Ashland and to ensure a buyer. On January 6, 2009, the first Council meeting of this year, City Council was presented with a new alternative financing public debt plan; and that plan was known as the Ohio Capital Asset Program, also known as the Ohio CAF and that was presented by Mr. Dave Conley and Dave Johnson. And that purpose is to save issuance costs and reduce interest costs to the City of Ashland. In addition, I had a guarantee, a local buyer with minimum cost and keeping our tax dollars here locally, at our local bank. I received extremely competitive bids from our local banks for this Note. The Squire legislation limits the city only to sell these Notes to the Royal Bank of Canada. It does not keep our tax dollars here locally and would be a more expensive method to issue these Notes. Additionally, the proposed method for Squire does not guarantee a buyer for said Note. While researching these issuance costs, I actually took out and reviewed some bids and proposals for public financing bond firms and this is why I must recommend to City Council to contract with Mr. Steve Grassbaugh. The City of Ashland has been utilizing Squire, Sanders and Dempsey for these issuance costs. In 2008, it was over \$59,000 dollars. In my opinion, after doing due diligence, the finance bond firm of Benesch, Friedlander, Coplan and Aronoff giving the City of Ashland an opportunity to obtain a much more cost effective and competitive debt financing fees. The Squire, Sanders and Dempsey Ordinance could conceivably place this city in the same jeopardy of what occurred in the City of Sandusky in 2008. My recommendation is to have this Note sold to a guaranteed local bank where we have bids to have minimum costs involved. In the process of due diligence, I believe that the ultimate financing plan is a contract with Benesch, Friedlander, Coplan and Aronoff which gives the City of Ashland multiple financing options and does not restrict to paying only the Royal Bank of Canada. And then the proposed Ordinance on Squire, Sanders and Dempsey, Section 2 says it must be paid from the proceeds of Notes or Bonds or from the General Fund and the procedure on paying debt is actually from the source of the debt and there are various funds; it could be water, sewer, a sewer note, a water note. Fire equipment plan rarely, nothing is paid out of debt, comes from the general fund. The only expense that we have that comes from the General Fund for these fees is the SEC disposal form. So that section will need to be modified. Thank you.

**Paul Wertz, President of Council:** You know Anna, the Mayor, you and I met last week on this and you told us that we all, I told you on this hand I am for Squire, Sanders and on this hand if we could save some money, we would look into it. We checked out what you had and you said in the same sentence about the firm that you want us to go with, that the person has been with two or three different bonding groups in the last several years. We have a track record with Squire, Sanders and we never had any problems with them. Now you want us to change to somebody who hasn't stayed with the same company forever and ever, so I have my doubts.

**Anna Tomasek:** What I would recommend is Council to interview, I mean obviously there is Peck, Shaefer and Williams, one firm and this is another firm. They are both more cost effective; there would be savings on the financial aspect vs Squire. But obviously that is Council's ultimate decision. As Finance Director I am just looking for alternative ways to save us money and to keep our tax dollars here

locally. Steve Grassbaugh has been a financial bond expert. He was with Squire, Sanders and Dempsey for 20 years. So he is currently with a firm out of Columbus, Ohio.

**Robert L. Valentine W1:** So he was with Squire, Sanders and Dempsey for 20 years?

**Anna Tomasek:** Yes and he is a local guy. He is originally from Mansfield.

**Robert L. Valentine W1:** If I remember right, I contacted you a couple of times about this and one of the emails, I think it was on a Monday a week ago, you said something to the effect that; Monday January 26 5:56 p.m. and in that you have quotes. Now these quotes that you are talking about as far as Squire, Sanders and Dempsey; did you just recently get these quotes?

**Anna Tomasek:** Yes.

**Robert L. Valentine W1:** When?

**Anna Tomasek:** On that day.

**Robert L. Valentine W1:** The 2,000, 1,000, 1,000 and the 2100? You got them on that day?

**Anna Tomasek:** Yes. The Squire, Sanders and Dempsey are actual costs.

**Stephen Stuart:** Last year, completely different.

**Anna Tomasek:** It is the same note.

**Robert L. Valentine W1:** But it was last years though?

**Anna Tomasek:** On Squire, it was their actual fee for their note. Enclosed, I have all of their fees. I have a copy of the check if you would like to review that as well.

**Robert L. Valentine W1:** And in that email you sent, I have discussed this matter with the Mayor and both agreed that we waive to save financial resources for the City of Ashland. Of course we all want to do that. But that is what I call good politics. Otherwise you are defending what your position is. Then Monday the 26<sup>th</sup> at 6:06 p.m., you said at this time the Fire pumper note will be done differently to save financial resources for the city. The City of Ashland plans to place this Note with a local bank. The financial legal guidance for this financial transaction will be handled by Benesch, Friedlander, Coplan and such. And then the next day, you called me and asked me what my position is when you have already made up your mind.

**Anna Tomasek:** No, your opinion matters sir and I did ask for your opinion and I said this is my recommendation.

**Robert L. Valentine W1:** No you did ask my opinion. But you had already made up your mind as I read this. So what is the purpose of my opinion?

**Anna Tomasek:** It is my recommendation sir. You are Council, you are the ultimate authority.

**Robert L. Valentine W1:** That isn't my point. My point is, you made up your mind on Monday and then Tuesday you call me and ask me what my feeling is about this.

**Anna Tomasek:** It is just a recommendation.

**Robert L. Valentine W1:** I don't see it that way.

**Paul Wertz:** With Squire, Sanders, it is not only Bonding, we have used them for EPA, we had problems years back with the EPA and their attorneys. It is up to you all what you want to do here.

**Mayor Stewart:** I would like to share a thought. I was asked and I made the statement that I am very interested in saving the city money. I will also go on and say that the lowest cost is not always the best decision or the best overall price. In my opinion and this goes for quotes that we have had on other issuances, other purchases, etc. I just feel very strongly that the lowest price is not only the best way to go. I respect whatever Anna may have received in her quote. I have a document that says that Squire, Sanders would charge between 1600 and 1650 dollars for the issuance of this Note. And I didn't ask for that. It was in a dialogue that I had with one of their people and he offered that.

*Move to pass the Ordinance on the first reading by Steven Stuart, seconded by Robert L. Valentine W1.  
Ayes: Stephen Stuart, Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz*

*Move to suspend the rules, 3 separate meetings, 3 separate nights, by Paul Wertz, seconded by Ruth Detrow to invoke Section 113.01 of the Codified Ordinances as the distribution of this Ordinance has satisfied the requirements of said Section and that a further reading be dispensed with at this time.  
Ayes: Stephen Stuart, Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz*

*Moved by Stephen Stuart and seconded by Ruth Detrow that the Ordinance be passed.  
Ayes: Stephen Stuart, Robert L. Valentine, Robert M. Valentine W2, Ruth Detrow, Paul Wertz,*

*Motion carried.*

Item (b) FISCAL OFFICER'S CERTIFICATE \$200,000 (the NOTES) Squire

**Anna Tomasek:** As Fiscal Officer of the City of Ashland I certify in the aggregate principal amount \$200,000 to be issued in anticipation of issuance of bonds for the purpose of acquiring the pumper tanker truck together with all necessary appurtenances. Estimated life or period of usefulness of the improvement is at least 5 years. Estimated maximum maturity calculated in accordance to Section 133.20 Ohio Revised Code is 10 years. If notes anticipation Bonds are outstanding later than the last date of December 5<sup>th</sup> of the year, bonding year issuance of the original issuance of Note secured in excess of 5 years should be deducted from the maximum maturity of this bond. The rate of maximum maturity of the Notes is March 1, 2020 in which 15 years within the original note issued for that purpose.

**Ord. No.# 6-09**

Item (c) AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF \$200,000 NOTES, IN ANTICIPATION OF THE ISSUANCE OF BONDS FOR THE PURPOSE OF PAYING COSTS OF ACQUIRING A PUMPER-TANKER TRUCK, TOGETHER WITH ALL NECESSARY EQUIPMENT AND APPURTENANCES THERETO, AND DECLRING AN EMERGENCY.

*Moved by Robert M. Valentine W2 for non-reading in full and seconded by Robert L. Valentine W1 to invoke Section 113.01 of the Codified Ordinances as the distribution of this Ordinance has satisfied the requirements of said Section and that a further reading be dispensed with at this time.  
Ayes: Stephen Stuart, Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz.*

Comments:

*Move to pass the Ordinance on the first reading by Ruth Detrow, seconded by Robert L. Valentine W1.  
Ayes: Stephen Stuart, Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz*

*Move to suspend the rules, 3 separate meetings, 3 separate nights, by Ruth Detrow, seconded by Robert L. Valentine W1 to invoke Section 113.01 of the Codified Ordinances as the distribution of this Ordinance has satisfied the requirements of said Section and that a further reading be dispensed with at this time.*

*Ayes: Stephen Stuart, Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz*

*Moved by Paul Wertz and seconded by Robert L. Valentine W1 that the Ordinance be passed.*

*Ayes: Stephen Stuart, Robert L. Valentine, Robert M. Valentine W2, Ruth Detrow, Paul Wertz,*

Motion carried.

**Stephen Stuart:** I move that items (d), (e), and (f) be withdrawn from the Agenda.

*Move that items (d), (e), and (f) be withdrawn from the Agenda by Stephen Stuart, seconded by Robert M. Valentine W2.*

*Ayes: Stephen Stuart, Robert L. Valentine, Robert M. Valentine W2, Ruth Detrow, Paul Wertz*

**Ord. No. # 7-09**

Item (g) AN ORDINANCE AUTHORIZING AND DIRECTING THE MAYOR TO ADVERTISE FOR BIDS AND TO ENTER INTO CONTRACTS FOR THE PURCHASE OF SUPPLIES AND MATERIALS FOR THE CITY OF ASHLAND, OHIO; AND DECLARING AN EMERGENCY.

*Moved by Ruth Detrow for non-reading in full and seconded by Robert L. Valentine W1 to invoke Section 113.01 of the Codified Ordinances as the distribution of this Ordinance has satisfied the requirements of said Section and that a further reading be dispensed with at this time.*

*Ayes: Stephen Stuart, Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz.*

**Richard P. Wolfe II, Director of Law:** Before we go on, I want to point out to Council that Item (b) wasn't actually what was presented, it was actually item (e), but it serves the same purpose so it doesn't really matter.

**Paul Wertz:** Okay.

**Michael Hunter, Director of City Utilities:** This is an annual Housekeeping item where you go out for bids for various items that we use for Water Distribution and Collection. I reviewed these specifications with Mr. Cooper about 2 ½ weeks ago and these are typical items that we need for our everyday use. We are trying to lock in our unit prices and we are requesting permission.

**Paul Wertz:** This is something we do every year in February.

Comments:

*Move to pass the Ordinance on the first reading by Robert M. Valentine W2, seconded by Robert L. Valentine W1.*

*Ayes: Stephen Stuart, Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz*

*Move to suspend the rules, 3 separate meetings, 3 separate nights, by Ruth Detrow, seconded by Robert L. Valentine W1 to invoke Section 113.01 of the Codified Ordinances as the distribution of this Ordinance has satisfied the requirements of said Section and that a further reading be dispensed with at this time.*

*Ayes: Stephen Stuart, Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz*

*Moved by Stephen Stuart and seconded by Paul Wertz that the Ordinance be passed.*

*Ayes: Stephen Stuart, Robert L. Valentine, Robert M. Valentine W2, Ruth Detrow, Paul Wertz,*

**Ord. No. # 8-09**

Item (h) AN ORDINANCE AUTHORIZING AND DIRECTING THE MAYOR, DIRECTOR OF PUBLIC SERVICE TO ADVERTISE FOR BIDS AND TO ENTER INTO A CONTRACT FOR THE HAULING AND ULTIMATE DISPOSITION OF LIQUID SEWAGE SLUDGE IN CONNECTION WITH THE OPERATION OF THE WATER POLLUTION CONTROL FACILITIES OF THE CITY OF ASHLAND, OHIO; AND DECLARING AN EMERGENCY.

*Moved by Robert M. Valentine W2 for non-reading in full and seconded by Ruth Detrow to invoke Section 113.01 of the Codified Ordinances as the distribution of this Ordinance has satisfied the requirements of said Section and that a further reading be dispensed with at this time.*

*Ayes: Stephen Stuart, Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz.*

Comments:

**Michael Hunter:** We are concluding a 5-year contract in February of this year and basically this is just to remove and dispose of solids from our treatment plant. It is a requirement of the Ohio EPA regulation that we have a management plan to dispose of the Bio Solids in an acceptable manner and we do. We typically have a contract, which is a 2-year contract. The city gives themselves the option of redoing it for 3 yrs and 1 yr increments and we have done that with our current hauler. We wish to enter into the same type of contract to go for bid again and establish a price for hauling sludge. Last year we put out about 742 dry tons. That is a little over 1.4 million pounds of solids that were placed on local farm fields. We just ask for permission to bid so we can continue to provide for the proper disposal of bio solids.

Questions or comments?

*Move to pass the Ordinance on the first reading by Ruth Detrow seconded by Robert L. Valentine W1.*

*Ayes: Stephen Stuart, Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz*

*Move to suspend the rules, 3 separate meetings, 3 separate nights, by Paul Wertz, seconded by Stephen Stuart to invoke Section 113.01 of the Codified Ordinances as the distribution of this Ordinance has satisfied the requirements of said Section and that a further reading be dispensed with at this time.*

*Ayes: Stephen Stuart, Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz*

*Moved by Robert M. Valentine W2 and seconded by Stephen Stuart that the Ordinance be passed.*

*Ayes: Stephen Stuart, Robert L. Valentine, Robert M. Valentine W2, Ruth Detrow, Paul Wertz,*

Resolutions: None.

**WARD REPORTS:**

Councilman-at-Large: Stephen Stuart

(a) Had a couple of complaints regarding lack of snow removal on sidewalks in front of businesses and downtown area. Those are the only calls I had.

**Stephen Stuart:** I have a question, if I may to Anna T. Did, or will the City of Ashland incur any cost to the Law Firm of Benesch, Friedlander, Coplan and Aronoff for the preparation of items (d), (e) and (f) of the Agenda or any other matters?

**Anna Tomasek:** Absolutely not, because you have not entered into an agreement with them.

**Stephen Stuart:** Thank you.

**Ruth Detrow:** Is this always the case when we have attorneys, we have to enter into an agreement before they can expect to receive any money?

**Anna Tomasek:** On this financial aspect?

**Ruth Detrow:** No I am talking about attorneys in general. Have we not been billed for attorneys that Council new nothing about until they had performed their duties?

**Anna Tomasek:** On regarding to what particular matter? On violations of the Charter? Which ones?

**Ruth Detrow:** I am talking about the bills that we received for the attorney.

**Robert L. Valentine W1:** The one attorney, wasn't he brought in to help out as far as hiring an assistant?

**Anna Tomasek:** That was no attorney hired for that.

**Robert L. Valentine W1:** Didn't we have fees?

**Anna Tomasek:** No, it was consultant fees.

**Robert L. Valentine W1:** Oh, consulting fees; but he was an attorney?

**Anna Tomasek:** No he was not an attorney.

**Robert L. Valentine W1:** And then the other one was one hired as far as the union was concerned? That was a consultant?

**Anna Tomasek:** That was a consultant.

**Ruth Detrow:** And consultants are all right? It is fair for you to hire them?

**Paul Wertz:** Without going to our Law Director and our Human Service person to hire people? You cannot use our Human Service Director? That is what we have one for.

**Anna Tomasek:** I am following the Charter. Section 37.

**Ruth Detrow:** May I ask Mr. Wolfe a question? Is it possible for us to pass an Ordinance so that consulting fees, attorneys fees; I don't know every term but I imagine I can come up with them, have to be approved by Council before they can be charged? Is it possible to have this?

**Richard P. Wolfe II:** Certainly it is possible and Council has control in several ways. It certainly has control of appropriations and you have the final say on that. So there are several areas where you can exercise your legislative authority in that regard.

**Ruth Detrow:** Well one of them would be an Ordinance which requires that we not get into the situation again of finding that we have consultant fees, etc. that we did not necessarily want. Our duty is to keep an eye on all of the finances of the city and we were blind-sided. On behalf of the people of Ashland, I resent being blindsided. And we actually ended up finally paying those fees because apparently there is some little quirk which will allow that and so I want to eliminate that little quirk.

**Richard P. Wolfe II:** Well unless there is money in the budget to do that, unless there is discretionary spending permitted, it cannot be done properly. It is Council's authority to enter into contractual relationships. It is Council's authority to approve the appropriations so you have those controls. So if money is

budgeted so that it can be spent in a discretionary way, then you have already given up that if you have provided funds to do it.

**Ruth Detrow:** We did not want this and it happened, so apparently there is something that we need to do to correct this.

**Richard P. Wolfe II:** I think I just answered that.

**Ruth Detrow:** Well, I should not just ask you something like that off of the top of my head. I will be in touch with you again.

**Paul Wertz:** Steve, is that all you had?

**Stephen Stuart:** Yes.

WARD REPORTS cont'd:

Ward 2 Robert M. Valentine W2

- (a) I had a few calls but it is something about the Water bills and then I called them and the reason they told me the water bills were higher was because after 30 days, the snow was four and five foot high and they couldn't get to the meters so they did a 40 day; so that is what I found out why all of these bills went up. At least that is what I was told. I was one of them that called because mine is usually 45.00 dollars and it was 68.00 dollars. She had a great explanation. Everybody that I talked to, I had given them an explanation so they are not as mad as they were.

Ward 1 Robert L. Valentine W1

- (a) I had two calls, one mainly on snow and snow removal on the streets. I think the situation we face was; I don't know how often we get six to twelve inches of snow, but I feel that the city, to me, did an outstanding job and I think the main priority in any type of situation like this is to get the main arteries open and I think that is what they did. So we had the discussion. The person that talked to me said he was going to come before Council, I don't know if he is here or not. I don't have any idea and I said we meet on Tuesday's which is tonight and you are welcome to come.

**Stephen Stuart:** All you have to do to know what a great job they have done on snow removal is to live in some other communities.

Ward 3 Ruth Detrow:

- (a) I had a few questions about snow removal and they were all satisfactorily answered and in one case I heard complaint, but then within a few hours it became clear that the reason Main Street had piles of snow down the center for a while was because they were going to truck the snow off instead of shoving it over against the cars. I am trusting that that person understood as well. Most of the people that I heard from were happy and I am certainly pleased with what we have done.

Ward 4 Paul Wertz

- (a) I had phone calls also regarding the snow but they were actually positive calls.

OLD BUSINESS:

**Robert L. Valentine W1:** I don't know if I was very clear in what I was stating before, but if you will give me the time, I will try to clarify it. By the time I am done, what I said will make more sense.

Go back to Monday January 26, 2009 at 5:56 p.m.. Dear City Council and the Mayor, and this comes from our Finance Director; from our meeting on January 14, 2008, I have researched Bond Counsel's fees regarding the renewal of this note issued on the Fire pumper truck for City Council's request. It is my opinion that the city needs to save issuance costs and look at alternative options such as the Ohio CAF program at our local banks. So basically what she was saying, is cost was the major factor. About 20 some minutes later, Monday January 26, 2009 6:06 p.m., Dear Barry Keefe; he represents Squire, Sanders and Dempsey. Thank you so very much for your expertise and assistance to the city of Ashland regarding financial note issues. At this time, the Fire Pumper Note will be done differently to save financial resources for the city. The City of Ashland plans to place this note with a local bank and financial legal guidance for this financial transaction will be handled by Benesch, Friedlander, Coplan and Aronoff. Tuesday, January 27, 2009 8:51 p.m., Dear members of City Council, since the City of Ashland plans to place this note with a local bank, the financial legal guidance for this financial transaction will be handled by Benesch, Friedlander, Coplan and Aronoff to save issuance cost for our city. Mr. Steve Grassbaugh comes to the City of Ashland highly recommended by several public finance associations across the State of Ohio and several Finance Directors that reported it to be an excellent service. I will be sending you the Ordinance by this Friday, Mr. Grassbaugh has reported that he has the Ordinance ready for your review. I guess my concern was that I got these and then I was called to ask what my opinion was. The idea of recommendation wasn't mentioned to me at all. Now unless I read wrong, the mind had already been made up unless I read something different than what it says here.

**Ruth Detrow:** The letter to Barry Keefe that was copied to you; was Ms. Tomasek speaking as the City of Ashland?

**Robert L. Valentine W1:** Right. I just want to clarify it. I apologize.

**Mayor Stewart:** May I bring up some OLD BUSINESS, is that appropriate? I am concerned that we are still, we still have a tabled Ordinance regarding ambulance billing and I am very cognizant of the fact of what our Law Director advised us that we should not pass I think, our Law Director said we should not pass an Ordinance that our Finance Director was not in agreement with. Ladies and Gentleman, we need to pass that Ordinance so we can start forward with what we worked on for nearly a year. It is going to take some wording or word smithing. I don't know the right term. But we are at odds and I am sitting in the middle. I ask that this Body work with the Law Director or the Finance Director or both so that we can move this piece of legislation forward. I hate to use this term, but in the best interest of the city. It is in the best interest of the city and I need help to get this and I am not an individual that I choose to write Ordinances, any Ordinance that comes before me, goes to our Law Director for his approval. I don't want this to die for lack of our words. I am not blaming anyone; I just need to get this piece of legislation on the table and voted on. I don't presume that you should do it tonight if you are not prepared but I would look forward to having it sooner rather than later. I rarely ever address Council in this manner, but I really need a piece of legislation that will allow us to go forward with getting a quote on this.

**Mark Burgess:** Mr. President, I would like to say something. I think we are missing an opportunity. I go along with what the Mayor said that this is an Ordinance or a process that we can use to benefit the general fund by increasing our revenues and it will not negatively impact our citizens. If we do this right, we can increase the revenue from EMS through billing. The timely service will be improved. There are other services that we can offer our citizens and we need to move on it. The Finance Director is on record for 20 privatized Income Tax. I look at this as a similar venture. I would like to see this moved on as soon as we can because it will eventually help the Fire Department, the General Fund is better. So that we can continue to offer services.

**Stephen Stuart:** Chief, I can't speak for the entire Council but I would suspect that we would all agree with you that we see the importance of this. We have a resolution or an Ordinance that says that it is deemed necessary and advisable to immediately enhance customer service for such things as timely filing of Medicare, Medicaid and other private insurance carriers. Timely processing of payment plans

and timely accounting procedures, which is not presently occurring with the present billing system. Now we have a dilemma here. The person that is responsible for the present billing system which isn't working who wanted to contract out to services will not agree to the wording of the Ordinance as prepared by our Law Director who is the authority in wording Resolutions. That is whom we rely on.

**Paul Wertz:** What does Council want to do? What can we do? If we are going to bring it back to the floor. Rick, we need some guidance.

**Richard P. Wolfe II:** If you are asking me, I already advised that unless the Finance Director indicates her assent to the Ordinance, you can't act on it. I have also sent correspondence to her explaining that very thoroughly and I believe I don't have it with me, but I believe I ended that correspondence by such time that she is willing to move forward with this matter, she should advise Council. It is my opinion the legislation is drafted properly and language is necessary, it is her duty to handle this matter and if she wishes for this to be handled otherwise, then she needs to agree to it, otherwise I don't think Council has any authority to act. That is how I advised her and that is how I advised Council previously.

**Paul Wertz:** So meanwhile the citizens will be two to three months behind on their billings.

**Richard P. Wolfe II:** I cannot speak to that.

**Robert L. Valentine W1:** Just to give the example, I had a situation a year or so ago that something happened to me the first part of October. I never got my bill until January.

**Stephen Stuart:** Well if I were responsible for procedures that I wasn't doing well, I would sure want help. And I would want it done as soon as I could.

**Anna Tomasek:** Can I speak about that?

**Council:** Yes.

**Anna Tomasek:** After reviewing the latest correspondence from the Law Director in this matter and researching very thoroughly, my position in this Ordinance remains the same and yes, my views on outsourcing have been noted. However, I cannot violate Section 37 of the Charter and I cannot delegate my duties.

**Paul Wertz:** You are not delegating your duties; the money is coming back to you.

**Anna Tomasek:** That is not proper. If it says outsourcing or in compliance with SAS 70, in fact, I believe the Finance Director should maintain full supervision over the process of collection of public money in regards to Ambulance billing collection. The word "delegate" is not maintaining supervision.

**Robert M. Valentine W2:** So why did you want to outsource Income Tax then? You wanted to outsource Income Tax. You can't talk out of both sides of your mouth.

**Anna Tomasek:** I want to outsource both Ambulance billing and Income Tax; I don't have a problem with that.

**Robert M. Valentine W2:** So if we won't let you do Income Tax, you won't let us do Ambulance, basically?

**Anna Tomasek:** It is the wording; the word delegate means I am no longer responsible for it.

**Richard P. Wolfe II:** It doesn't mean that at all. In fact I sent you the letter with Webster's definition of delegate and that isn't what it means at all.

**Robert M. Valentine W2:** I have been reading all of these letters; believe me I have stacks of paper at home of letters between you two which somebody just needs to pick up the phone on one end because; our Law Director, I take him for his word. The man has never given me any other reason to doubt him. I am just saying, that is what he is for. It is just like when you used consulting to hire an employee. We have an HR and that is her job. That is a resource from the city; that costs –0- dollars. Now you tell me how much you spent hiring that employee; with you knowing how much you spent, you can probably tell me how much it is? And if you are wanting to save money for the citizens in Ashland, you should have went to Ms Helterbride and have her do it.

**Stephen Stuart:** Let me ask you Anna; you are putting yourself as the expert as the person who has a Law degree, who knows more about drafting an Ordinance then our Law Director. Now that is absolutely absurd.

**Anna Tomasek:** I am speaking from a financial accountability standpoint.

**Stephen Stuart:** I have spent most of my professional career in public education and God love the kids. You know that is why I was there. But this almost reminds me of the kinds of things that you see on a playground. Well one says, " You did it!" "No I didn't, I didn't do that!" "Yes you did!" Please Anna, you are not the legal authority. We have a Law Director.

**Richard P. Wolfe II:** The letter I sent to the Finance Director back in May clearly stated that any alternatives to her handling the ambulance billing in her own office would require her to continue supervision and there has never been any doubt about that issue from the beginning. I think it might, and I don't have a copy of the legislation in front of me, but I think it is reiterated in the Ordinance; but be that as it may, there is nothing what-so-ever about that legislation that would be causing her to violate the Charter in any way.

**Ruth Detrow:** But we still can't do anything unless she decides to change her mind?

**Richard P. Wolfe II:** That is why I am advising you because not only does she need to be on board with the action of Council as it relates to her specific duties, anybody that would be performing those duties on behalf of the city needs to be able to point to that and show that they have proper authority to act. It is a two-fold purpose. The contractor any agreement that would be entered into for that purpose would clearly state that the Finance Director has supervision over that activity. That is a necessity. I stated that clear back in May of last year. Nothing has changed.

**Mark Burgess:** May I ask questions of the Finance Director? If we are going to keep billing the same on how she is going to change things? During the billing process, we have a number of other billing things that go on. Ambulance billing typically takes a back seat to chipping, street department clean up, those types of things. And that ends up with the untimeliness of Medicare reimbursement forms and that being done. Will that change if you continue to do the billing here?

**Anna Tomasek:** To be the most efficient and cost effective billing collection service that we can provide our citizens, I am reviewing the matter with my staff, to come up with options.

**Mark Burgess:** Okay. The vendors, we have gone with three different vendors to seek quotes. They all indicate a substantial increase in revenues with timely billing. What plans do you have to meet those projected incomes?

**Anna Tomasek:** I will have to get back to you on that. We are researching that.

**Mark Burgess:** Is that going to be the answer for most of these?

**Anna Tomasek:** Yes. We are reviewing it now.

**Mark Burgess:** The office of the Inspector General has an opinion on Insurance Billing and how it affects the patient care and the patient billing. How do you develop this plan to address that?

**Anna Tomasek:** The office addresses everything, in compliance. We are audited by Rea and Associates, we are in compliance. Billing has been a problem in the past of getting reports timely from the Fire Department but we are working hand in hand together and we need to continue the cooperative relationship to make sure the reports are done timely as well as my staff making sure the reports are done accurately. So there have been some inefficiency in the past and we have been reviewing those and as you know you have been working with Finance and we are working together to create the most cost effective system for the community.

**Mark Burgess:** The timeliness for the reports, patient care reports were going to Finance; the most we are behind is maybe seven days. You have received our reports; I deliver them personally. When I am not there, one of the Assistant Chiefs delivers them. The hold up is not with our patient care reports.

**Anna Tomasek:** That is a new procedure.

**Mark Burgess:** I have been delivering them for 14 years now.

**Mayor Stewart:** Chief, I think we all know the problem and it has been emphasized and I want to share that, when I came into office on the third or fourth of January a year ago, this was a problem; we met I believe in March or April; the problems is well identified. It took about 4-5 months to identify a method to resolve the problem. I am not going to go into all of that but we feel the resolution is to outsource the process. As many, many communities are doing today. I am told the majority of the communities outsource this process. It is not new to Ashland. I just ask that whomever, lets get this resolved and get on and get the problem behind us. I apologize for shutting you off Mark, but we need to move on.

NEW BUSINESS:

- (a) Advertising on private property permit application request: Kitchen & Bath Design Center, Inc., 956 St. Rt. 302 Ashland, Ohio 44805; 3-4 times/year.

**Rodger Kaufmann:** I am the owner of Kitchen & Bath Design Center.

**Paul Wertz:** Is this a door hanger?

**Rodger Kaufman:** Yes, it is a door hanger. We submitted a sample.

Questions or comments:

*Move to approve permit request by Robert M. Valentine W2, seconded by Stephen Stuart.*

*Ayes: Stephen Stuart, Robert L. Valentine, Robert M. Valentine W2, Ruth Detrow, Paul Wertz.*

**Rodger Kaufman:** Sir, I have questions. On the instructions for leaving the hangers on the homeowner's door; it was requested that the hanger be placed in a plastic bag, then hung on the door? Is that an absolute necessity? It is coated stock. My thinking is, if the thing falls off, you would have two pieces of trash blowing around instead of one. Can we hang them without the plastic bag?

**Richard P. Wolfe II:** All you have is the single piece?

**Rodger Kaufman:** Yes, just the single piece.

**Richard P. Wolfe II:** You don't need a bag. You need a bag if you have multiple pieces.

**Rodger Kaufman:** The only reason I asked folks is because it states; "All distributions of material shall be in bags".

**Richard P. Wolfe II:** It has never been an issue before, but what it means is if you have something more than the single item, you need to put it in a bag. So it is all contained.

(b) Advertising on private property permit application request: Peace Lutheran Church, 1360 Smith Road, Ashland, Ohio 44805, 2 times/year.

**David Dismer:** We have a sample, a bifold brochure that we will staple to a hanger device. We will staple that trifold to that door hanger.

**Richard P. Wolfe II:** That is still one item. There has been times in the past where there has been multiple advertisers who have gone together in one distribution. That is where the bag idea came in.

*Move to approve permit request by Robert M. Valentine W2, seconded by Stephen Stuart.*

*Ayes: Stephen Stuart, Robert L. Valentine, Robert M. Valentine W2, Ruth Detrow, Paul Wertz.*

### **MAYOR'S COMMENTS:**

I have a couple of comments this evening. Larry Paxton is the Acting Director of Engineering for the near term until we fill the City Engineers position and I will share with you the reason is that the Director of Engineering is designated to serve on some of our committees so through discussion with our Law Director and our HR person, it is not a promotion and I discussed with all of you my intent there and so he is "Acting Director of Engineering" and will have the responsibility for the Engineering Department for the near term.

**Robert L. Valentine W1:** How will the procedure go then? He is not a Registered Engineer so.

**Mayor Stewart:** We have to use a professional Engineer or Registered Engineer when we have a document that requires that signature. Much like it was when Nevin Bower was here.

**Robert M. Valentine W2:** Glen what is the timeline for applying a new Engineer?

**Mayor Stewart:** I haven't set any. I want to walk into this and do it properly. I want to establish, quite frankly, the overall need for a professional Engineer. I don't have a quantification of how many times in a year you need the signature. We may need a person who has high degree of Engineering capability but not necessarily professional Engineer. There is a significant difference in cost to the city, so I am going to research this and look into what I think will be the best way. I will advise Council of my desire beforehand. I am not going out and hire my buddy. We will do this properly. I have a question for Council. This is a blindside for the five of you. To the best of my knowledge, there hasn't been a meeting to set priorities for 2009. We did that on the 29<sup>th</sup> of January of last year and we have done it for several years. I throw that out, it is your option. I want to comment on sidewalks. I have some information from you Bob on sidewalks. We had a horrendous snow and we all know that. It was I guess almost like we had in 1979 without as much wind. The bottom line is; there are still sidewalks where kids and pedestrians are walking in the street. And many of these sidewalks are in front of businesses, businesses that want people to come inside and do business with them. On some of our main streets, there

are streets where kids are in fact walking in the street. I recognize how heavy that snow is and how difficult it is particularly after it has been plowed off. We need, I feel we need as a community to make a better effort, of at least getting a path and allow some passage in a safe manner on the sidewalks. There are all kinds of ordinances and I am not particularly interested in sending our police force out and trying to arrest people for not shoveling their sidewalks. I think it is just a good community action to make the best effort and I ask that we do that. I am not going to demand, I am going to ask because I think that is the kind of community we are. I hope we don't have another snow, but they are telling us there is some more tonight or tomorrow. Please take that and pass it on. I just feel it is a necessity to help our sidewalk situations. I did have several calls, some I think maybe Mr. Valentine received. The practice that we use, we are going to make sure the main streets are passable before we start on the side streets. Mr. Mack tried a new method on main, 2<sup>nd</sup> and 3<sup>rd</sup> street. I had some comments, why is there snow in the middle of the street? Well, it wasn't against the curb so people could park. Did that work?

**Jerry Mack:** I think it worked fairly well.

**Mayor Stewart:** If you don't try something different, it will always be like it always was. I admire Mr. Mack for trying something different this year. I am not going to comment on the calls I received that were really, people up in the air about their side streets not being cleared. It was a horrendous snow-storm, we all know that. That is all I have.

#### **COMMENTS OR QUESTIONS FROM THE AUDIENCE: (Items not appearing on the Agenda)**

**John Chorpening 1126 Overlook Drive:** I thought the Water bills went up because the sewage bills went up 50%.

**Mayor Stewart:** How much?

**John Chorpening:** I think it looked like 50%.

**Mayor Stewart:** No, No. Please don't put that in the paper. It went up 18-½ % on the Sewer and 6% on the Water.

**Robert M. Valentine W2:** So the average bill is like 1.80 to about 2.40, isn't that right?

**Michael Hunter:** That is correct Bob.

**Marcia Clark, 425 Arthur Street, Ashland, Ohio 44805:** I was wondering if you had any information on the Economic meeting that was held in Wayne County that Evan Scurti attending Friday? As far as possible Grant money available to the townships?

**Mayor Stewart:** I talked to Mr. Boccieri today at the Breakfast and he asked his aide to make sure that I receive the information that was passed out. Mr. Scurti and Nikki McConnell both attended that and they have some information for me. We also have some hand written documents of projects that may fall into what Mr. Boccieri shared with me this morning. There are a lot of assumptions or presumptions and he just shared with me this morning that one of those assumptions, and he may know for sure is that the sharing of the cost may be waived in some cases so a city like Ashland would not have to come up with a percentage of the project cost. I have not seen those documents in hard form yet, but I expect them in a few days.

**Marcia Clark:** What projects are you considering?

**Mayor Stewart:** Well, we are considering a major trunk line from the Jamison lift station out to the Waste Water treatment plant. We are considering possibly the intersection at Liberty Street. There is a lift station up near WIL Lab that needs to have additional capacity. Our plan is to double, nearly double the capacity of those two lift stations and there is a fourth one.

**Larry Paxton:** Those are already Issue 2 projects.

**Mayor Stewart:** There is one more project, Ms. Clark that I don't have off the top of my head right now.

**Marcia Clark:** Well this is for townships right?

**Mayor Stewart:** The city.

**Marcia Clark:** Well what about the ones for the townships?

**Paul Wertz:** You will have to talk to the County Engineer.

**Marcia Clark:** Do you know if any of those projects might work hand in hand with the School district?

**Mayor Stewart:** I don't follow exactly what you mean.

**Marcia Clark:** Would you be working with the City schools to see if there were any projects that maybe some of that money could go towards?

**Mayor Stewart:** Without having more knowledge specifically and the language, I won't answer that. Normally projects, either school projects, the city, the county or the township but I don't know what the language is Ms. Clark.

**Marcia Clark:** Do you think maybe any of that money could be used, and I know there has been talk in the past of possibly putting another Fire Station in?

**Mayor Stewart:** No, they are infrastructure projects, as I understand it.

**Marcia Clark:** So, you have to go to the Township to find out about that?

**Mayor Stewart:** I share with you that a Fire Station is not normally considered infrastructure regardless of where you would go.

**Marcia Clark:** Do you know when you will be looking into these projects?

**Mayor Stewart:** When I get some hard information so there is something I can put my teeth into and it may be early next week, but I don't know that for sure. There is a lot of uncertain information right now.

**Marcia Clark:** Is there a possibility of going back to televising City Council meetings, you used to years ago? Then it stopped.

**Mayor Stewart:** That was a University or at that time Ashland College project and they lost interest in it and I don't know why. It would be up to them. We are very willing. We didn't run them out.

**Mark Miller, President of Firefighters Union:** I would like to address Council tonight to express the unanimous support of the Firefighters union for the Ambulance billing project. This is something that the Firefighters have worked together with Chief Burgess on for two years now. We thoroughly researched this before bringing it to Chief Burgess. It is something that I feel is extremely important. It will not only

benefit the citizens of Ashland, but it will benefit the every day operations that the Fire Department does without placing more burden on the budget and I think it has been something that has not been highlighted nearly enough in these proceedings. It is unusual for the Fire Department or Firefighters Union to support outsourcing and in this case, we don't look at it as outsourcing. Outsourcing to us is to another country. Sending something out of here. This is something I think we see as a business practice that is common for a number of Fire Departments. This is Fire Departments that we have gone and sought advice from that said "This is something that you can do", that is proven to work. It is something we feel very strongly about and support Chief Burgess unequivocally. It is something that has to be looked at very seriously. It is something that I think is bordering on irresponsible to continue and Table or let go unresolved. This is something, I think needs to be dealt with. It should be on the front page of the News Paper. I think if more of the citizens of Ashland new what this benefit would be to the city, and then there would be no question about this. I just feel very strongly this is something that must be addressed for the benefit of not only the city, but the future of the Fire Department. It is something that can affect even our ability to continue operations. To provide high-level service. We want to provide more service and this is something that will help us do that. I cannot speak strongly enough. Unanimously the Fire Department supports this. Thank You.

**Stephen Stuart:** We could get this done tonight with cooperation couldn't we?

**Mary Patterson, 138 West 12<sup>th</sup> Street:** I have been dealing on a personal level for most of this. Mine is a personal level of there is a neighbor in our neighborhood that is raising Chickens and Roosters in the City. I have called, actually I have talked to the Mayor's office, and I have called the Law Director's office. They have called me back. It has been, I know, at least nine months and we still see the chickens and roosters. I have an Ordinance here stating that they are not allowed to have fowl within the city. If I last fall was burning leaves, I would have gotten into trouble. Well these people have on my record, they have been sent letters, I believe it is from the Law Director's office that there have been people gone over there but when they call me back to tell me the results, they tell me we are not allowed on their property because it is trespassing. That doesn't make sense to me. If they are disobeying an Ordinance, it is not trespassing. So I would like the chickens and roosters out of the city.

**Richard P. Wolfe II:** This is a matter that we addressed last fall, I hadn't heard anything more about it.

**Paul Wertz:** Is that on Cottage Street?

**Mary Patterson:** Yes it is. And now, oh probably about 2 months ago and I have pictures to show it; now they are advertising that they are selling the eggs.

**Richard P. Wolfe II:** I haven't heard a word about this since last fall.

**Mary Patterson:** I let it go because I cannot hear the roosters when I have my door shut. Yesterday was a nice day, we were outside in and out of the garage and sure enough it was crowing away. Now also, they shouldn't be allowed to be selling the eggs, because I would bet you they are not claiming it as Income Tax either.

**Paul Wertz:** We will have the city investigator check it out.

**Mary Patterson:** Well, with all due respect to him; that is what they said back in October and it is still going on.

**Paul Wertz:** Nobody said anything back to them so they assumed it was taken care of.

**Mary Patterson:** His own workers have to know if it is taken care of or not. His own workers have to know; did they make the people get rid of the chickens!

Questions or comments? None

*Motion to move to adjournment of Regular Session by Paul Wertz, moved by Robert M. Valentine W2, seconded by Robert L. Valentine W1.*

*Ayes: Stephen Stuart, Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz.*

Adjournment at 8:08 p.m.

Submitted by  
Valarie Bishoff  
Clerk of Council