

MINUTES
City of Geneva
Council Meeting
June 12, 2017
6:00 p.m.

Tim Miller opened the Council Meeting at 6:00 p.m.

Roll Call – Tim Miller, Susan Hagan, David W. Per Due, William Buskirk, Philip Cordova and Wm. Lucas McDaniel.

Absent – Mario Butera

Pledge of Allegiance to the Flag was said and prayer was offered by Pastor David Yarbrough, New Life Assembly of God.

Motion was made by David W. Per Due to approve the Minutes of the May 22, 2017 Council Meeting, seconded by Wm. Lucas McDaniel. Roll call, 6 years. Motion duly passed.

Department Presentation – Zoning – Amanda White Presenting

Seventy-four (74) permits were issued including: 1 New Construction Residential; 1 New Construction Commercial; and 7 New Business Occupancy Permits.

The software transition is complete.

The Zoning Department is doing an audit of the rentals within the City. Ms. White thanked Tim Parks for the wonderful job he has done with regard to rental inspections.

The City's new Zoning Assistant, Nick Dunlap, began working for the City on Friday. Mr. Dunlap and Ms. White attended the Warren Zoning Conference. The County Planning Department was also in attendance; Nick had an opportunity to meet them. Today was his first day out working.

Citizens –

Bill Baker
440 Blaine Street, Geneva, Ohio

The proposed tax increase will generate \$1.2 million. Mr. Baker asked how much of a reduction did Spire receive in the agreement.

A tap-in fee was to be paid over time. Spire became delinquent and incurred penalties bringing the total to approximately \$900,000. Spire came back into compliance and has been timely with the payments since then.

The proprietary fund can only be used by the proprietary fund. The funds cannot be used by the general fund.

The GaReat, a non-profit, would be an anchor development. The 534 Corridor Study done by ODOT projected that 500 motel rooms as well as restaurants would be needed to service the GaReat. At the time of the agreement the City supported the project by giving them a reduced tap-in fee. The proprietary fund bore the reduction. The general fund was impacted only in that when the court case went to court the City agreed to waive the penalties.

Ronnie Lee paid the entire cost of the engineering and sewer installation through the JEDD which also allowed Wendy's, Pizza Hut and Chops to hook in. In exchange the City allowed Ronnie Lee to receive a portion of the income tax up to \$400,000 (JEDD I revenue).

The Judgment stated that GaReat would pay the entire tap-in fee and have their portion of the JEDD I income tax paid directly to the City. The difference between that and JEDD I revenue they would retain. There was no net loss to the General Fund.

The General Fund has received the majority of the income tax raised in the JEDD.

A Wastewater project which disturbs other infrastructure items such as sidewalks and streets can include the restoration of those infrastructure elements.

The Spire penalties would have been a one-time payment.

The State of Ohio has been cutting the Local Government Fund \$500,000 for the last seven (7) years. This is what is generating the need for a tax increase.

A 1.5% income tax to a 2.2% income tax is a 50% increase.

The City has an aging Fire fleet. The first out engine is a 2003 vehicle.

The Finance Committee looked at the needs, looked at the realistic numbers; this increase is what is needed to begin replacing equipment.

The City's job is to sell this income tax to the residents.

Mr. Per Due stated that he respects Gary Hydinger's opinion; however, the Spire money that goes to the sewer fund frees up money that now can be used for other things, money that could have stayed in the general fund.

Mr. Hydinger stated that by law the Wastewater Department has to be self-supported.

For JEDD II, the City put together a package of grants and tap-ins. The City took on all of the debt and took on some of the risk. The City gave Spire a break due to the 501(c). Mr. Hydinger was opposed.

The EPA Flow Guide is not always an apples to apples comparison. It indicates potential flows. One restaurant is busy, one restaurant is not. Both are calculated the same on the flow guide.

Spire was not the only one that got a discounted tap-in. The tap-in using the EPA Flow Guide for CHOPS, a restaurant which is within so many feet of the freeway is \$600,000. It does not make sense. We need to take the whole thing in context.

Mr. Per Due stated that Spire is not going to close down.

Mr. Baker stated phasing in the tax increase would make the increase a little easier to swallow. Mr. Baker suggested a 20% increase the first year and then increasing it again a couple of years later.

There is not a lot of growth in Geneva. If the City does not have the funds available to maintain equipment and services, roads may not get plowed.

The City tried to pass an income tax five years ago.

Mr. Cordova stated that the City has an aging fleet. The City used to have a capital budget meeting. The needs identified would be \$30 million and the budget to spend \$50,000. Council has been fiscally conservative. Employees are doing their best to keep things running with a limited amount of discretionary funding. The City is not getting funding from the State. The Police and Fire Departments fix their equipment Macgyvering parts to make them work.

The hard thing to do is to ask the citizens for a tax increase. The City is asking the citizens who live in the community.

Mr. Hydinger can provide more specific information related to the Spire settlement.

Mr. Buskirk stated that at the time part of the discussion was that Council could spend a lot of money in a lawsuit to get a big judgment that they may not have been able to collect. The City was eighth in line.

Mr. Per Due stated that the City did hire attorneys.

Mr. Buskirk stated that the Agreement with Spire includes a provision that if Spire would default on any of the payments the amount owed would default to the \$900,000. Spire has been timely since the agreement was reached. No payments have been missed.

The Police Chief includes in his budget replacement of the police cruisers, \$40,000 every three years. Vehicles such as dump trucks have a replacement cost of \$100,000.

Governor Kasich cut the Local Government Funding over the last few years.

Ron Bowser
74 Roosevelt Drive, Geneva Ohio

Seniors have not had a raise.

Mr. Miller stated that the income tax increase does not affect the seniors as they do not pay income tax. Employees of Ace Hardware or Giant Eagle do pay the income tax.

The school tax is high. People need to eat as well.

Council is putting the income tax questions before the citizens to see if this is something they want to do.

The State has cut the Local Government Funds, it was the first thing cut. The City has had to absorb a loss of \$500,000 a year in revenue. The costs remain constant. The longer the City delays, the more deteriorated things become, the more it will cost to reconstruct. The City does not pave roads, they have been chip, seal and fogging. The citizens need to decide.

Mr. Baker stated that the increase is 50%. A family making \$30,000 would pay an additional \$210.00 per year.

Bill Tobias
57 Roosevelt Drive, Geneva.

There are other ways of making money. Mr. Tobias has lived in the City forty-five years.

The City staff is fantastic and has been successful in getting grants. Grants however require match funding.

Bill Baker
440 Blaine Street, Geneva.

Mr. Baker asked if the one percent (1%) credit would remain. Yes, it will.

Request was made for reduced speed ahead signage coming into the City from the North before Roosevelt Street.

Items for Consideration of Council –

Ordinance No. 3211 – Second Reading. An Ordinance to Amend Sections 881.011 and 881.012 of the Codified Ordinances of the City of Geneva in Order to Increase the Income Tax Rate by Seven-Tenths of a Percent (0.7%) from the Current Rate of One and One-Half Percent (1.5%) to a Rate of Two and Two-Tenths Percent (2.2%) Beginning January 1, 2018, for the Purposes of General Municipal Operations, Maintenance, New Equipment and Capital Improvements of the City, and declaring an emergency. Second Reading.

Resolution No. 3388 - Second Reading. A Resolution Directing the Board Of Elections to Place Upon the Ballot at an Election to be Held on November 7, 2017, the Question of Increasing the City Income Tax Rate by Seven-Tenths of One Percent (0.7%) from the Current Rate of One and One-Half Percent (1.5%) to a Rate of Two and Two-Tenths Percent (2.2%), Beginning January 1, 2018, and declaring an emergency. Second Reading.

City Manager Report –

Thomas Gala has installed a Blessing Box at the Shortest Covered Bridge as his Eagle Scout Project. Non-perishable items such as hygiene items can be placed in the box for citizens in need. There will be a ribbon cutting June 16, 2017 at 10:45 a.m. Council is invited to attend.

The little library has been used quite a bit.

Mr. Starkey would like to request a Utilities Committee Meeting to discuss sewer lateral repairs and how the City might be able to address them. Mr. Buskirk will set up a meeting.

The City of Conneaut assisted the City in the use of a truck that allowed the City to service a main and look into the lateral.

C.I.R. has completed North Broadway.

The City received one quote with no base repair in the amount of \$25,000 plus, for 350 feet, 15 feet wide repairs on South Broadway. The City is working on getting another bid.

The inspection at the Wastewater Plant went well.

Laurie Donatone will be retiring June 14, 2017. Delores Allen will be replacing Laurie. Laurie has been with the City fifteen years.

The letter that Council directed the City Manager to prepare is ready to go.

It was noted that the grass is high at the triangle where Sherman and Kiwanis Park Drive come together. The railroad typically mows this area. Amanda called, they will take care of it.

Unfinished Business – None.

New Business – The City will be meeting only once a month for next three months. The next Council Meeting is July 10, 2017.

Payment of Bills – None.

Committee Reports –

A Safety Committee meeting is scheduled directly after the council meeting. Ms. Hagan thanked Ms. Dunlap for the detailed minutes of the Safety Committee Meeting held April 10, 2017.

Citizens – None.

David W. Per Due made a motion at 7:09 p.m. to adjourn to executive session to discuss personnel matters. Wm. Lucas McDaniel seconded the motion. Motion duly passed.

Wm. Lucas McDaniel made a motion to reconvene at 7:22 p.m. Susan Hagan seconded the motion. Motion duly passed.

Susan Hagan made a motion to adjourn.

Council meeting adjourned at 7:24 p.m.

Recorded by: Phyllis Dunlap
Clerk of Council

President of Council

Clerk of Council