#### JACKSON CITY COUNCIL

Minutes from August 13, 2007 7:00 p.m. Regular Session

Jackson City Council met in regular session on Monday, August 13, 2007, at 7:02 p.m. at the Jackson City Council chambers. President Speakman called the meeting to order. The Pledge of Allegiance was given and followed by prayer, both led by Mr. Reed.

A roll call was taken as follows:

- Mrs. Colby present
- Mr. Hughes present
- Mr. Eric Brown present
- Mr. Reed present
- Mr. Cary Brown present
- Mr. Stewart present
- Mr. Heath present

#### **MINUTES**

Mr. Stewart made a motion to approve the minutes from July 23, 2007, seconded by Mr. Cary Brown. In a voice vote, all Council agreed. Mr. Stewart made a motion to approve the minutes from August 6, 2007, seconded by Mr. Cary Brown. In a voice vote all Council agreed.

#### VISITORS - None

Mr. Heath made a motion to revise the agenda, adding James Johnson and Roy Hatten to the visitors, seconded by Mr. Stewart. In a voice vote, all Council agreed.

James Johnson, requesting utilities on Chillicothe Street for personal use. Mr. Reed made a motion to grant the utilities, seconded by Mr. Heath. In a voice vote, all Council agreed.

Roy Hatten, noise problem on Main Street, he stated that he had attended a Council meeting two months prior about the noise level in front of the Cambrian on the weekends. He asked if anything is being done or has been done. Mayor Goodman replied that increased enforcement has been done, but the problem will never be eliminated. Mr. Hatten stated that the problem was better on Sunday night, but Saturday night is still a big problem. There are a few who continue to create problems. He does not think it should be a problem to stop the 10 or 12 vehicles causing the problem. He stated that left hand turns are still being made and that the cross walks are being blocked. Residents with motorized chairs can not cross and the cars will not move. One Saturday

night he sat by the fountain around 10:00 p.m., he estimates that an average of one violation per minute. He states that he cannot sleep after being disturbed all night. He asked if they had any cooperation with the Sheriff and State Patrol. Mr. Heath asked if officers could stand on corners. Mayor Goodman stated this could be done periodically, not consistently. Mr. Hatten stated the police only make one or two trips through town on the weekends. Mrs. Colby asks if any tickets had been issued. Mayor Goodman stated he would find out. Mr. Speakman stated that the bike patrol was effective, suggested binoculars for observation, helped with the alcohol and weed problem. Mr. Hatton asked if there were a state law. Mr. Detty stated that drivers 16 years of age and younger are only permitted one passenger. Mr. Hatton stated that officers riding in patrol cars are not effective; the minority is not complying with the law. Further stating that other towns use curfews to stop violators.

#### **COMMITTEE REPORTS**

UTILITY - No Report

BUDGET & FINANCE - No Report

Mr. Reed stated there will be a meeting Thursday at 3:00 p.m. to discuss General Fund funding.

POLICE, FIRE & TRAFFIC - No Report

SERVICE - No Report

Mr. Cary Brown scheduled a meeting for Tuesday at 7:00 p.m.

#### **RAILROAD**

Mr. Stewart asked if anyone had reviewed the lease agreement. Mayor Goodman stated that he had spoke with attorney Taylor last week, discussed issues and changes in the language. Mr. Detty state the ordinance is dead. Mr. Cary Brown asked when we could all get together, the rail company and Council. Mr. Stewart stated the propose lease was passed out; he has received no input to schedule a meeting. Mr. Heath was concerned with the length of the contract. Mr. Eric Brown stated it was hard to tell what had been changed; they did not live up to the old contract. Mr. Reed stated there is so much in the wording, which is why the attorneys are reviewing. Mr. Cary Brown asked does this company exist, they have never showed up for a meeting. Mr. Stewart stated he would schedule a meeting after the attorneys give their opinion. Mrs. Colby stated she agrees with Mr. Eric Brown. Mayor Goodman stated they need to know what the city's risk and liabilities are there any questions from Council. Mr. Reed stated that they bought the last contract; new rail is an issue with the old contract. We could lose right of ways and easements.

**LEGAL** 

Mr. Heath stated complaints with the cable TV changes, Time Warner contract with ONN moved to another channel, they stated it was put on by mistake. The FCC considers this area West Virginia and this channel had to be moved. Mayor Goodman stated he had spoke with the same people as Mr. Heath, and received the same pitiful answers. He has contacted the government relations department with no response.

BUILDING - No Report

#### CITY AUDITOR

Mr. Humphreys passed out a memo and letter. He stated that the maximus problem was not taken care of. He stated that p.o.'s will be handled differently to try and prevent here and nows, we cannot not prevent all of them. The police department fills out blanket p.o.'s for jail space to prevent. The matter of rents and right of ways is very serious; the Attorney General stated this is not being done properly. There is an ordinance to pay property taxes, there was not enough in the fund to cover since taxes were raised this year. The phone issues are the state says we need a contract on every phone we own. He suggests that a committee be appointed, to be headed by Mr. Reed to bring us into compliance. State Auditors office in Athens stated that the p.o. must be filled out and signed by the Auditor before any money is spent. Peck, Shaffer & Williams will be at the next meeting to discuss bonds for the water plant and refinancing of old debt. Mr. Heath asked if we were responsible for the taxes on the railroad. Mayor stated the leaser. Mr. Speakman appointed Reed, Colby and Stewart to the committee in regards to the phone issue. Mrs. Colby stated the law is clear about purchase orders. The ORC states that Council does not have to approve then and nows. Council needs to vote down and put this to a stop.

#### LAW DIRECTOR

Mr. Detty stated he passed out Ordinance 110 and 111, any questions should be directed at the next meeting. AMP Ohio bonds closed on August 1 for power until 2012, there is a savings. Ordinance 109, regarding the compensation of the Mayor, done as an emergency. Mr. Cary Brown asked who requested. Mr. Speakman stated I did, members wanted. Must be done before general election, it can be voted down. Mrs. Colby stated this issue was defeated. Mr. Speakman stated it was vetoed, not defeated.

#### MAYOR

Mayor Goodman stated he had nothing to do with the ordinance regarding compensation, he does not support and it was not discussed with him, rotten timing. Resolution 29-07 is a then and now, this is for two filing cabinets, no good reason for it, the police department has been talked to. Resolution 30-07 is for annual dues to OMA, they could possibly rebill if not passed. Would like a brief executive session to discuss collective bargaining.

#### SERVICE DIRECTOR/ENGINEER - No Report

#### CHIEF OF STAFF

Mr. Workman stated that the \$250,000 had been received from the State for the bike path. Price on engineering for the second phase, Mr. Benson is working on the design plans for phase one with ODOT. Mr. Stewart asked if all right of ways had been secured. Mr. Workman stated that Mr. Detty is working on this, one is being donated, and two others are in process. Mr. Heath asked do we know the exact route. Mr. Workman stated yes.

SAFETY – No Report

CHIEF OF POLICE - No Report

**ORDINANCES & RESOLUTIONS** 

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#### ORDINANCE NO. 86-07

AN ORDINANCE AUTHORIZING THE CITY TO ENTER INTO AN AGREEMENT BETWEEN THE CITY OF JACKSON, OHIO, AND USRC HOLDINGS, INC., AN OHIO CORPORATION, WHOS ADDRSS IS 7846 W. CENTRAL AVENUE, TOLEDO, OHIO 43617, FOR THE LEASE OF THE CITY OWNED RAILROAD, AND DECLARING AN EMERGENCY.

This ordinance is dead, not removed from the table.

**ORDINANCE NO. 94-07** 

## AN ORDINANCE APPROVING ADDITIONAL APPROPRIATIONS IN THE VISITORS CENTER FUND.

#### Third Reading

In a roll call vote to adopt, Council voted as follows:

Mrs. Colby – no
Mr. Hughes – no
Mr. Eric Brown – yes
Mr. Reed – no
Mr. Cary Brown – yes
Mr. Stewart – yes
Mr. Heath – yes

ORDINANCE NO. 94-07 DULY ADOPTED

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#### **ORDINANCE NO. 98-07**

AN ORDINANCE AUTHORIZING THE CITY TO ENTER INTO AN AGREEMENT BETWEEN MH CORRECTION COMMISSION AND THE CITY OF JACKSON, OHIO, FOR THE HOUSING OF PRISIONERS, AND DECLARING AN EMERGENCY.

#### Second Reading

Mr. Stewart made a motion to suspend the rules, seconded by Mr. Cary Brown. In a roll call vote, Council voted as follows:

Mrs. Colby – yes Mr. Hughes – yes Mr. Eric Brown – yes Mr. Reed – yes Mr. Cary Brown – yes Mr. Stewart – yes Mr. Heath – yes

In a roll call vote to adopt, Council voted as follows:

Mrs. Colby – yes Mr. Hughes – yes Mr. Eric Brown – yes Mr. Reed – yes Mr. Cary Brown – yes Mr. Stewart – yes Mr. Heath – yes

## ORDINANCE NO. 98-07 DULY ADOPTED \*\*\*\*\*\*

ORDINANCE NO. 99-07

AN ORDINANCE APPROVING ADDITIONAL APPROPRIATIONS IN THE SEWER FUND, AND DECLARING AN EMERGENCY.

#### Second Reading

Mr. Stewart made a motion to suspend the rules, seconded by Mr. Cary Brown. In a roll call vote, Council voted as follows:

Mrs. Colby – yes Mr. Hughes – yes Mr. Eric Brown – yes Mr. Reed – yes Mr. Cary Brown – yes Mr. Stewart – yes Mr. Heath – yes

In a roll call vote to adopt, Council voted as follows:

Mrs. Colby – yes Mr. Hughes – yes Mr. Eric Brown – yes Mr. Reed – yes Mr. Cary Brown – yes Mr. Stewart – yes Mr. Heath – yes

## ORDINANCE NO. 99-07 DULY ADOPTED \*\*\*\*\*\*

ORDINANCE NO. 100-07

AN ORDINANCE APPROVING ADDITIONAL APPROPRIATIONS IN THE SEWER FUND, AND DECLARING AN EMERGENCY.

#### Second Reading

Mr. Stewart made a motion to suspend the rules, seconded by Mr. Cary Brown. In a roll call vote, Council voted as follows:

Mrs. Colby – yes Mr. Hughes – yes Mr. Eric Brown – yes Mr. Reed – yes Mr. Cary Brown – yes Mr. Stewart – yes Mr. Heath – yes

In a roll call vote to adopt, Council voted as follows:

Mrs. Colby – yes
Mr. Hughes – yes
Mr. Eric Brown – yes
Mr. Reed – yes
Mr. Cary Brown – yes
Mr. Stewart – yes
Mr. Heath – yes

ORDINANCE NO. 100-07 DULY ADOPTED

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#### ORDINANCE NO. 103-07

AN ORDINANCE TO APPROVE THE FORM AND AUTHORIZE THE EXECUTION OF A POWER SALES CONTRACT WITH AMERICAN MUNICIPAL POWER – OHIO, INC. AND TAKING OTHER ACTIONS IN CONNECTION THEREWITH.

#### Second Reading

Mr. Heath asked if this needed moved on, so we can continue without interruption to the power supply. Mr. Stewart stated there was no emergency clause. Mrs. Colby asked if this was to do with the power plant we were buying into. Mr. Heath asked hydro or prairie plant. Mayor Goodman stated he was not sure.

Mr. Stewart made a motion to suspend the rules, seconded by Mr. Cary Brown. In a roll call vote, Council voted as follows:

Mrs. Colby – yes Mr. Hughes – yes Mr. Eric Brown – yes Mr. Reed – yes Mr. Cary Brown – yes Mr. Stewart – yes Mr. Heath – yes

In a roll call vote to adopt, Council voted as follows:

Mrs. Colby – yes Mr. Hughes – yes Mr. Eric Brown – yes Mr. Reed – yes Mr. Cary Brown – yes Mr. Stewart – yes Mr. Heath – yes

ORDINANCE NO. 103-07 DULY ADOPTED
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ORDINANCE NO. 106-07

AN ORDINANCE TRANSFERRING APPROPRIATIONS, AND DECLARING AN EMERGENCY.

#### Second Reading

Mr. Stewart made a motion to suspend the rules, seconded by Mr. Cary Brown. In a roll call vote, Council voted as follows:

Mrs. Colby – yes Mr. Hughes – yes Mr. Eric Brown – yes Mr. Reed – yes Mr. Cary Brown – yes Mr. Stewart – yes Mr. Heath – yes

In a roll call vote to adopt, Council voted as follows:

Mrs. Colby – yes Mr. Hughes – yes Mr. Eric Brown – yes Mr. Reed – yes Mr. Cary Brown – yes Mr. Stewart – yes Mr. Heath – yes

## ORDINANCE NO. 106-07 DULY ADOPTED \*\*\*\*\*\*

ORDINANCE NO. 107-07

AN ORDINANCE AUTHORIZING THE ADVERTISEMENT FOR BIDS OF PERSONAL PROPERTY NO LONGER NEEDED BY THE CITY OF JACKSON, AND DECLARING AN EMERGENCY.

#### First Reading

Mr. Heath made a motion to adopt the ordinance, seconded by Mr. Eric Brown. In a voice vote, all Council agreed.

Mr. Stewart made a motion to suspend the rules, seconded by Mr. Cary Brown. In a roll call vote, Council voted as follows:

Mrs. Colby – yes Mr. Hughes – yes Mr. Eric Brown – yes Mr. Reed – yes Mr. Cary Brown – yes Mr. Stewart – yes Mr. Heath – yes

In a roll call vote to adopt, Council voted as follows:

Mrs. Colby - yes

Mr. Hughes – yes Mr. Eric Brown – yes Mr. Reed – yes Mr. Cary Brown – yes Mr. Stewart – yes Mr. Heath – yes

## ORDINANCE NO. 107-07 DULY ADOPTED

#### ORDINANCE NO. 108-07

## AN ORDINANCE TRANSFERRING APPROPRIATIONS, AND DECLARING AN EMERGENCY.

#### First Reading

Mr. Reed made a motion to adopt the ordinance, seconded by Mr. Cary Brown. In a voice vote, all Council agreed.

Mr. Stewart made a motion to suspend the rules, seconded by Mr. Cary Brown. In a roll call vote, Council voted as follows:

Mrs. Colby – yes Mr. Hughes – yes Mr. Eric Brown – yes Mr. Reed – yes Mr. Cary Brown – yes Mr. Stewart – yes Mr. Heath – yes

In a roll call vote to adopt, Council voted as follows:

Mrs. Colby – yes Mr. Hughes – yes Mr. Eric Brown – yes Mr. Reed – yes Mr. Cary Brown – yes Mr. Stewart – yes Mr. Heath – yes

ORDINANCE NO. 108-07 DULY ADOPTED
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**ORDINANCE NO. 109-07** 

AN ORDINANCE SETTING THE COMPENSATION FOR THE POSITION OF MAYOR, AND DECLARING AN EMERGENCY.

## Dead, no motion to adopt.

#### **ORDINANCE NO. 110-07**

AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$1,850,000 TO REFUND THE CITY'S OUTSTANDING WATER SYSTEM MORTGAGE REVENUE BONDS, SERIES 1993 THAT WERE ISSUED TO PAY COSTS OF CAPITAL IMPROVMENTS TO THE CITY'S WATER SYSTEM, APPROVING A BOND REGISTRAR AGREEMENT, A BOND PURCHASE AGREEMENT, AN ESCROW AGREEMENT, A PRELIMINARY OFFICIAL STATEMENT AND A CONTINUING DISCLOSURE CERTIFICATE, AUTHORIZING CERTAIN ACTIONS, AND DECLARING AN EMERGENCY.

#### First Reading

Mr. Heath made a motion to adopt the ordinance, seconded by Mr. Stewart. In a voice vote, all Council agreed.

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#### **ORDINANCE NO. 111-07**

AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF BONDS IN AN AGGREGATE PRINCIPLE AMOUNT NOT TO EXCEED \$775,000 TO PAY THE COSTS OF IMPROVING THE WATER TREATMENT PLANT BY ACQUIRING AND INSTALLING ELECTRICAL CONTROLS AND TELEMETRY UPGRADES, A HEATING SYSTEM AND A ROOF AND NECESSARY APPURTENANCES THERETO, APPROVING A BOND REGISTRAR AGREEMENT, A BOND PURCHASE AGREEMENT, A PRELIMINARY OFFICIAL STATEMENT AND A CONTINUING DISCLOSURE CERTIFICATE, AUTHORIZING CERTAIN ACTIONS, AND DECLARING AN EMERGENCY.

#### First Reading

Mr. Heath made a motion to adopt the ordinance, seconded by Mr. Stewart. In a voice vote, all Council agreed.

#### **RESOLUTION NO. 28-07**

A RESOLUTION AUTHORIZING A THEN AND NOW CERTIFICATE, AND DECLARING AN EMERGENCY.

#### Second Reading

Mr. Stewart asked if this was community development housing. Mayor Goodman stated this was for housing repair. Mr. Stewart asked if there was a purchase order. Mayor Goodman stated he was not sure. Mr. Humphreys stated this should be rebilled.

#### **RESOLUTION NO. 29-07**

## A RESOLUTION AUTHORIZING A THEN AND NOW CERTIFICATE, AND DECLARING AN EMERGENCY.

Dead-no motion was taken.

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RESOLUTION NO. 30-07

## A RESOLUTION AUTHORIZING A THEN AND NOW CERTIFICATE, AND DECLARING AN EMERGENCY.

#### First Reading

Mr. Stewart made a motion to adopt the resolution, seconded by Mr. Heath. In a voice vote, all Council agreed.

Mrs. Colby asked if this could be rebilled. Mayor Goodman stated this was annual dues.

Mr. Stewart made a motion to suspend the rules, seconded by Mr. Cary Brown. In a roll call vote, Council voted as follows:

Mrs. Colby – no
Mr. Hughes – no
Mr. Eric Brown – yes
Mr. Reed – no
Mr. Cary Brown – yes
Mr. Stewart – yes
Mr. Heath – yes
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#### CORRESPONDENCE

Mr. Eric Brown received a letter from the housing authority, would like the city to allow a second mortgage. Council will not allow, it retro back to the second holder. Mr. Speakman discussed with Mr. Stroth, we would be worse off. Mayor Goodman stated we dealt with this before, the 2004 policy says we will not do. Once a year or so, someone complains, but we need to stay consistent. He asks Mr. Stroth to copy all Council members. Mr. Eric Brown it is to save money I would say yes, but with equity, no. Mayor Goodman agrees with Eric, 99% of the time this policy works well. All or none, or define parameters, all lending institutions have been notified.

#### **OLD BUSINESS**

#### **NEW BUSINESS**

Mr. Speakman introduced two Council candidates from the audience, Ron Queen for 2<sup>nd</sup> Ward and Curt Wiggens for 4<sup>th</sup> Ward. Asked if they had any suggestions or comments.

Mr. Heath made a motion to go into executive session to discuss collective bargaining and employee contracts, seconded by Mr. Stewart. In a roll call vote, Council voted as follows:

Mrs. Colby – yes Mr. Hughes – yes Mr. Eric Brown – yes Mr. Reed – yes Mr. Cary Brown – yes Mr. Stewart – yes Mr. Heath – yes

Council went into executive session at 8:10 p.m.

Mr. Heath made a motion to return to regular session, seconded by Mr. Eric Brown. In a voice vote, all Council agreed. Council returned to regular session at 8:46 p.m.

#### **ADJOURN**

Mr. Heath made a motion to adjourn, seconded by Mr. Stewart. In a voice vote, all Council agreed. Council adjourned at 8:46 p.m.

APPROVAL:

Tera L. Brown

Clerk

Date 8-27-07

Ronald Speakman

President

Date 8-27-07

## **MEMO**

**Date:** 8/10/2007

To: Shane A. Goodman, Mayor

Cc: Steven C. Benson, Service Director / Engineer; City Council Members

From: James L. Humphreys, City Auditor

**RE:** Purchasing Process; Then & Now Certificates

This is to reinforce a memo issued on 4/26/06 regarding the purchasing process in place for the City of Jackson. Before a purchase can be made a requisition is to be completed and turned into the Auditor's Office. Once the requisition has been received a purchase order will be completed. The Supervisor requesting the purchase order will then get a copy of the purchase order. Once the Supervisor receives the purchase order then the purchase can be made. As a general rule, Supervisor's should turn in requisitions at least one week in advance of the date they will need them. If a purchase order is needed by a certain date, the Supervisor should communicate that need to Felicia so that we can ensure that it is completed on time.

If the exact amount of a purchase is not known ahead of time, a requisition for a blanket purchase order should be completed and submitted to cover the expense about to be incurred.

In the event that a purchase order cannot be secured before the purchase is made, a Then and Now Certificate must be obtained. This certificate says that at the time of the making of such contract or order and at the time of the execution of the certificate, the funds were appropriated for this purpose and that the money to cover these expenses was in the treasury or in the process of collection and free from any encumbrances. If the amount to be certified exceeds \$2,999.99 then it must have approval of City Council in form of a Resolution before the invoice can be paid. If the amount to be certified does not exceed \$2,999.99 then the City Auditor has the authority to certify without City Council approval.

Then and Now Certificates are meant to be used as the exception and not the rule. If the purchasing process as outlined above is followed, it should be rare that we would need to use a Then and Now Certificate. Certainly there will be times that this will be necessary, but it should not be used as an everyday occurrence.

If there is a problem or question concerning the purchasing process, please contact me so that we can address the issue to ensure the proper use of the Then and Now Certificates.

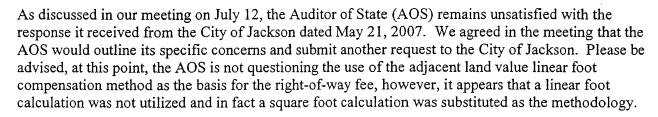


# Mary Taylor, CPA Auditor of State

August 7, 2007

Mr. Robert H. Taylor Mr. Robert F. Howarth Shoemaker, Howarth & Taylor, LLP Attorneys at Law 471 East Broad Street, Suite 2001 Columbus, OH 43215

Dear Messrs. Taylor and Howarth:



The methodology advanced by the Right-Of-Way Management Assessment Study entitled Adjacent Land Value Linear Foot Compensation Method is as follows:

ROW area (times) Assessed value per sq. foot (times) Discount (times) Rate of return of the adjacent property

The AOS concerns are mainly the City's departure from this formula. In calculating the assessed value per sq. foot of the adjacent property the City does not use the adjacent property value but instead uses a total value of all City-owned land designated "City's land value" in the Study. What is the rationale for using all of the City's land instead of the adjacent land value?

The City's methodology calls for the use of market value of the assessed adjacent property, "ROW valuation is based on the valuation of the adjacent property and reflects what the city owned utilities might pay in rent if they acquired use of private property." However, the City instead utilizes an assessed value, a number substantially less than the market value. The City's explanation that the use of a market property value would have required a significant discount factor again is not responsive to why the City deviated from the formula that calls for the use of market value.

STRITE TE

Page 2 August 7, 2007

In the calculation of the value per square foot of the "adjacent property" The City used the value of City-owned land instead of the value of the entire City - \$3,971,936 vs. \$110,000,000. In response the City states the figure was used to minimize the rate amount charged city-owned utilities. This response does not explain why the City deviated from the formula using a different factor. In calculating the square footage the City, quite frankly, in our opinion does not calculate correctly, as outlined in our earlier letter. The City's reply of "The State Auditor's letter refers to a square footage calculation that is not applicable to the liner foot fee basis. As such, this type of calculation was not utilized by MAXIMUS." is simply non-responsive to the issue raised. The AOS reasserts that a square foot calculation was used quoting from the Study, "the land value is divided by the total square feet of exempt and taxable land to arrive at the average value of taxable and exempt property in the City." Again, the City should explain its calculation.

Finally, in the thorough review of the MAXIMUS report several mathematical errors have been identified. The City would certainly want to investigate how these mistakes could have impacted the integrity of the Report.

In conclusion, the AOS is resubmitting its request for further clarification of the calculation of rates utilized in the Right of Way Management Assessment Study. We would certainly encourage a response that fully explains the rationale for why substitutions of factors in the formula were used by MAXIMUS. If you have any questions or need additional information, please contact me at (800) 282-0370.

ncerely.

Robert R. Hinkle Chief Deputy Auditor

RRH:laa

cc:

The Honorable James L. Humphreys City of Jackson Auditor

Karen Huey, Chief Legal Counsel Auditor of State's Office

Mary Beth Foley, Deputy Chief Legal Counsel Auditor of State's Office

Pete Sorem, Chief, Local Government Services Auditor of State's Office

Fred Kruse, Chief, A & A Support Auditor of State's Office