

JACKSON CITY COUNCIL
Regular Session
March 24, 2008
7:00 p.m.

Call to Order..... President Speakman
Pledge of Allegiance..... Mr. Cary Brown
Opening Prayer..... Mr. Wiggins

Roll Call

Approval of Minutes

March 10, 2008

VISITORS:

COMMITTEE REPORTS:

- Utility
- Budget & Finance
- Police, Fire & Traffic
- Service
- Railroad
- Building/Recreation
- City Auditor
- Law Director
- Mayor
- Service/Safety Director

ORDINANCES AND RESOLUTIONS

CORRESPONDENCE

OLD BUSINESS

NEW BUSINESS

ADJOURN

JACKSON CITY COUNCIL

Minutes from
March 10, 2008
7:00 p.m.
Regular Session

Jackson City Council met in regular session on Monday, March 10, 2008 at 7:00 p.m. at the Jackson City Council chambers. President Ron Speakman called the meeting to order. The Pledge of Allegiance was given, led by Mr. Smith. The Prayer was given, led by Mr. Wiggins.

A roll call was taken as follows:

- Mr. Evans – present
- Mr. Adams – present
- Mr. Eric Brown – present
- Mr. Smith – present
- Mr. Cary Brown – present
- Mr. Elliott - present
- Mr. Wiggins – present

Mr. Adams made a motion to approve the minutes of February 25, 2008 regular session and February 28, 2008 special session, seconded by Mr. Cary Brown. In a voice vote, all Council agreed.

VISITORS

Mike Kiser, MK Power Solutions. Mr. Sheward requested his attendance, there were change order questions and to discuss other subjects. Mr. Kiser stated he would answer questions and explain, passed out a letter and handout with changes to the contract (see attached). Mr. Evans questioned the building being out of square. Mr. Kiser stated this was not the cities fault, steel I-beams out of square, manufacture came to the site, the side teetered and had to be shimmed. Mr. Evans asked why we are paying for this. Mr. Kiser stated we are not paying for it, requested retainage on construction/major equipment, we will keep the retainage on equipment contract, and we are not responsible. Mr. Smith stated we are still losing money. Mr. Kiser stated when the building was put together, it was out of square. Mr. Smith asked if this was presented before. Mr. Kiser stated yes to Mr. Benson. Mr. Smith asked why are we paying, does the owner buy the equipment. Mr. Kiser stated he went to Mr. Benson right away; it was not the contractors fault but an equipment problem. Mr. Smith stated \$8,625.00, what is this for, large amount of design or something else. Mr. Kiser stated normal is 5% or less, we are 2.2%. Mr. Smith stated this is after the fact. Mr. Kiser stated the projected started late August. Mr. Evans asked if the manufacturer was brought in and why they did not replace. Mr. Kiser stated it was only four months late, it is modular control house. MR. Evans asked why didn't manufacturer take the bill and pay, we may not get our money back, did the manufacturer say they would pay. Mr. Kiser stated they were four months late with the building and six months late with the transformer, we will hold their retainage. Mr. Smith stated we are giving our money away was a change order done at that time. Mr. Kiser stated he was not in favor, should contractor absorb the cost, not the cities problem. Mr. Smith stated the vendor should cut a check to the contractor; we will take this out of the retainage. Mr. Kiser stated we are holding it for the delays, we should pay for construction, we are the owner, and this is over and beyond. If it was fixed, they should have agreed to pay to have it fixed. Mr. Eric Brown asked if we pay, we are saying we accept. Mr. Humphreys stated he does not understand, different than the contract amount, cost over \$500,000 more than expected. WE borrowed \$3.5 million; completion date was to be August 1st, not completed until November. One month after the initial ordinance, they requested \$500,000 to complete, still not done, 10% was not paid, and this was a big blotch job with the taxpayer's money. Mr. Cary Brown asked to walk us through number four, copper cable. Mr. Kiser stated originally the poles were outside the fence, during construction they discovered they were too close to the creek, contractor wanted to move the poles for truck access. Mr. Cary Brown questioned the copper theft. Mr. Kiser stated this was turned into their insurance, they filed a claim. Mr. Cary Brown stated there was no date listed for the change. Mr. Kiser stated it was in the middle of the project. Mr. Cary Brown stated he would like to know the date. Mr. Smith stated back to the building, contractor moved the poles, was it put in writing and a price given. Mr. Kiser stated yes. Mr. Smith stated we bought the poles and copper, it was better for the contractor. Mr. Kiser stated it was better placement

for access, can get the agreement. Mr. Smith thinks this high; this should have been approved by the city engineer. Mr. Kiser stated it was documented. Mr. Smith wants to see. Mr. Kiser stated he done the figuring, changed, it was less. Mr. Evans asked was the poles moved for our convenience. Mr. Kiser stated yes. Mr. Wiggins asked for details. Mr. Kiser stated 27 cables. Mr. Wiggins stated not very many feet. Mr. Speakman asked do you know what document. Mr. Kiser stated yes. Mr. Heath asked when substation will be on line. Mr. Kiser stated 2-3 weeks, one piece defective equipment. Mr. Evans asked will the entire city be shut down. Mr. Kiser stated no. Mr. Evans asked were the claims sent back to the contractor, cold nights and lost business can we recover. Mr. Kiser stated this could be a lawsuit. Mr. Evans asked if it is ligament, do we have a record of the claims. Mr. Sheward stated the hotels have made claims, this would have happened in the winter or summer. Mr. Smith stated we were scheduled for two shutdowns, and we had an additional shutdown. Mr. Kiser stated there was not enough time to complete, inefficiencies. Mr. Cary asked about number 9, please explain. Mr. Kiser stated we were not sure of what we needed, when defined, we requested. Mr. Smith asked why this was not given a ball park figure. Mr. Cary Brown stated he would like to see the dates. Mr. Eric Brown stated we talked about defective equipment, same vendor. Mr. Kiser stated in the building, small computer. Mr. Eric Brown asked why should we go to the computer manufacture, it was purchased through them. Mr. Kiser stated this is typical, and quicker to go through the company. Mr. Eric Brown stated this is March, we have waiting since December. Mr. Kiser stated we are supposed to be online in May. Mr. Eric Brown asked if we were waiting on any other things. Mr. Kiser stated the oil in the transformers and protective relay. Mr. Eric Brown asked why are they repairing, we paid for new equipment. Mr. Humphreys stated there is \$205,000 in damages; the city is retaining \$104,000. Mr. Kiser stated we are keeping 10% from the manufacturer. Mr. Humphreys stated is it our fault for the delay. Mr. Kiser stated Gaylor as the contract with your, and you have the contract with the manufacturer, it is your fault, ask Mr. Detty for the legal ramifications, not sure what will happen if it goes to court. Mr. Cary Brown asked do we have price or number on vandalism, would like this number. Mr. Evans asked when we cut sub in, will we shut down the city again, if so, we should wait until warmer weather. Mr. Kiser stated this should not happen; want to be ready for hot weather, not at a big push right now. Mr. Speakman stated we should discuss the lawsuit in executive session. Mr. Heath asked about outages. Mr. Kiser stated this was written in the contract. Mr. Heath stated only a few days notice. Mr. Kiser stated this was not his responsibility, the dates were not set. Mr. Eric Brown asked when he know. Mr. Kiser stated 3-4 weeks prior. Mr. Eric Brown stated this really bothers him, one transformer, a lot of money spent; initial design was for two transformers. Mr. Kiser stated three transformers at Lick. Mr. Eric Brown asked when Lick is going off line, have waited 90 days on a switch. Mr. Kiser stated only one transformer line, two transformers not that big of deal, if line goes out it will not effect. Mr. Eric Brown stated the price doubled, ordered larger transformer, we have waited 90 days. Mr. Kiser stated no, this was not a hot request, not in a big rush, test firm cannot be back for six weeks, and Gaylor is offsite. Mr. Eric Brown asked will this be held against us. Mr. Speakman suggested an executive session. Mr. Evans stated Eric touched on one transformer line, six years ago, we talked about this. Why did this not get touched on, we could lose all transformers. Mr. Kiser stated this was looked at, \$5-\$6 million range, small change for help to tap into the same source, Lick is strong, three sources of transmission. Mr. Evans stated we don't know what could happen. Mr. Kiser stated it doesn't matter, it could take the whole city out regionally, and it was not feasible. Mr. Kiser stated he would get requested information to Mr. Sheward.

COMMITTEE REPORTS

UTILITY – No report

BUDGET & FINANCE – No report

POLICE, FIRE & TRAFFIC

Mr. Evans passed a letter around in regards to brush fire equipment being donated to the Jackson Firefighters from the Jackson Firefighters Association (see attached). Mr. Evans made a motion to have the clerk write a letter of appreciation, seconded by Mr. Smith. In a voice vote, all Council agreed.

SERVICE – No Report

Mr. Smith stated he needs information on the tree cutting at Hammertown. Mr. Sheward wants to speak with Mr. Smith. Mr. Smith would like the monetary situation. Mr. Sheward stated there was no contract. Mr. Smith asked if there was a reference to payment to the city. Mr. Sheward stated 50%. Mr. Smith stated he would like documentation, and is the contract complete. Mr. Sheward stated no.

RAILROAD

Mr. Wiggins passed out a letter (see attached).

BUILDING/RECREATION – No Report

Mr. Smith apologized to Mr. Sheward, he found the documents.
CITY AUDITOR

Mr. Humphreys pass out information (see attached), this could save the city \$8,000-\$10,000 per year will review with the administration, utility committee and law director before signing. The \$135,000 in the recreation fund has been moved into a reserve fund, totaling \$398,563.26 at 3.38% interest.

LAW DIRECTOR

Mr. Detty explained the ordinances before council. Requested an executive session to discuss pending litigation. Codified ordinances are available online or CD. He has spoken with Mr. Martin regarding a few issues. Imminent or pending litigation with the railroad, Tonya Murphy vs. the city, State of Ohio vs. city, imminent litigation on Veteran's Drive Substation.

MAYOR

Mayor Heath stated it's been snowing, the boys are out with the trucks, challenge but they worked hard. On Friday the Mayor and Mr. Woltz met with ODOT to discuss the bike path and the 776 repaving, this may cost the city. Next Wednesday, Mr. Howarth and the Mayor will meet with the State Auditor to discuss the rents and right of ways. Requested executive session to discuss consent order. Mr. Evans stated the city used to have snow emergency signs in the uptown area; we may want to replace and announce. Mr. Speakman suggested the same on routes leading out of town.

SAFETY/SERVICE DIRECTOR

Mr. Sheward stated he passed out an information technical report (see attached), provided a ma for information on the compensatory storage for Walgreen's off of Veteran's Drive. Proposal to dig out material and move to lower area, compensate for raising flood level, 4,000 cubic yards to be removed. Please address any questions or concerns. Mr. Cary Brown had a question about the lower part. Mr. Sheward explained remove upper, fill lower. Mr. Sheward discussed the ordinance for CT Consultants for the water line project. Mr. Cary Brown wanted to know how many snow days since the new administration took office. Mayor Heath stated seems like every other day. Mr. Sheward stated he could get this information. Mr. Cary Brown stated he would like the public to know. Mr. Sheward stated we should have sufficient salt for the remainder of the winter season.

Mr. Smith made a motion to go into executive session to discuss OEPA consent order, imminent/pending litigation with the railroad, Tonya Murphy vs. city, State of Ohio vs. city, imminent/pending litigation involving the Veteran's Drive substation, seconded by Mr. Cary Brown. In a roll call vote, Council voted as follows:

Mr. Evans – yes
Mr. Adams – yes
Mr. Eric Brown – yes
Mr. Smith – yes
Mr. Cary Brown – yes
Mr. Elliott - yes

Mr. Wiggins – yes

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

Mr. Smith made a motion to return to regular session at 9:40 p.m., seconded by Mr. Eric Brown. In a voice vote, all Council agreed.

Mr. Smith made a motion to instruct Mr. Detty to join the lawsuit, US Rail Corp vs. CIT Group Inc., seconded by Mr. Cary Brown. In a voice vote, all Council agreed.

ORINANCES AND RESOLUTIONS

ORDINANCE 27-08

AN ORDINANCE AUTHORIZING A CHANGE ORDER IN A CONTRACT BETWEEN THE CITY OF JAKCSON, OHIO, AND GAYLOR, INC. CONCERNING THE VETERANS DRIVE SUBSTATION, LICK SUBSTATION, AND 138 KV TRANSMISSION LINE CONSTRUCTION PROJECT, AND DECLARING AN EMERGENCY.

Second Reading

ORDINANCE NO. 35-08

AN ORDINANCE AUTHORIZING THE CITY LAW DIRECTOR TO ENTER INTO AN AGREEMENT WITH WILLIAM C. MARTIN, ATTORNEY AT LAW, AS OUTSIDE COUNSEL ON AN AS NEEDED BASIS AS DETERMINED BY THE CITY LAW DIRECTOR, AT A RATE OF \$150.00 PER HOUR, AND DECLARING AN EMERGENCY.

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

Mr. Evans – yes
Mr. Adams – yes
Mr. Eric Brown – yes
Mr. Smith – yes
Mr. Cary Brown – yes
Mr. Elliott – yes
Mr. Wiggins – yes

In a roll call vote, Council voted as follows:

Mr. Evans – yes
Mr. Adams – yes
Mr. Eric Brown – yes
Mr. Smith – yes
Mr. Cary Brown – yes
Mr. Elliott – yes
Mr. Wiggins – yes

ORDINANCE NO. 35-08 DULY ADOPTED

ORDINANCE NO. 38-08

AN ORDINANCE AMENDING JACKSON CODIFIED ORDINANCE SECTION 355.01, RELATING TO OFF-STREET PARKING-MUNICIPAL LOTS, AND JACKSON CODIFIED ORDINANCE SECTION 355.99, RELATING TO OFF-STREET PARKING-PENALTY.

First Reading

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

Mr. Heath stated there were two open lines on the ordinance, suggested 8:00 to midnight, no more than 12 consecutive hours. Mr. Smith asked about other city parking. Mr. Heath stated this is the only parking we own. Mr. Elliott asked how we will enforce. Mr. Heath stated if the police see something out of the ordinary or a complaint. Mr. Elliott stated he has noticed cars on the streets without license plates. Mr. Heath stated mark tires. Mr. Eric Brown suggested a 24 hour limit; every car on the street must be moved in that time. Mr. Heath agreed with the 24 hours. Mr. Wiggins supported the 24 hours. Mr. Wiggins stated parking uptown on city streets, employees and u-turns are also a problem. Mr. Heath stated they are called j-turns. Mr. Evans stated this has been discussed at committee meetings, they are chalking tires. Mr. Humphreys asked about how the fire department will charge during the Apple Festival, thinks we should set. Mr. Eric Brown stated it was the Fire Fighters Association. Mr. Adams stated they should go in line with the boy scouts. Mr. Eric Brown stated we could change verbiage, Jackson Fire Fighters Association, we do not see the revenue. Mr. Speakman stated this should be a first reading and Mr. Detty can make changes.

Mr. Eric Brown made a motion to amend to Jackson Fire Fighters Association and 24 hours consecutive, seconded by Mr. Wiggins. In a voice vote, all Council agreed.

ORDINANCE NO. 39-08

AN ORDINANCE AUTHORIZING THE CITY TO ENTER INTO AN AGREEMENT BETWEEN THE CITY OF JACKSON, OHIO, AND CT CONSULTANTS, 35000 KAISER COURT, WILLOUGHBY, OHIO 44094, FOR ENGINEERING SERVICES FOR THE REPLACEMENT OF WATERLINES RELATED TO THE STATE ROUTE 93 WIDENING PROJECT, AND DECLARING AN EMERGENCY.

First Reading

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

Mr. Elliott asked if they had worked for us before. Mr. Smith stated yes, downtown rehab, EPA work with the consent order. Mr. Elliott asked is bid what we thought. Mr. Sheward stated we did not do a competitive bid, not out of line for services. Mr. Elliott asked why it was an emergency. Mr. Sheward stated the sooner they start the sooner they finish. Mr. Detty stated for contract ordinance, to guarantee prices. Mr. Heath stated no, non effective for 30 days. Mr. Eric Brown stated we have known this has to be moved since fall, ODOT wants to start soon. Mr. Sheward stated it will be May/June before we start. Mr. Evans stated this is not subject to referendum, not an issue, but could stop a project. Mr. Smith asked about the \$200,000. Mr. Sheward stated the state estimated \$200,000, this is part of that. Mr. Smith asked if this could be done in house. MR. Sheward stated no. Mr. Smith stated no inspection services. Mr. Sheward stated our people can inspect, if we need they can be there with a fee, we are trying to save money. Mr. Smith stated adjust the fee and have them there through the project. MR. Sheward stated he thought this was a straight forward product. Mr. Heath asked new bid. Mr. Sheward stated he would like to discuss further. Mr. Smith stated they will not come back to the site. Mr. Sheward stated there will be a difference between this and the electric project. Mr. Heath stated they will bring this back with two prices. Mr. Cary Brown asked if the waterline was under 93. Mr. Evans stated right down the center.

ORDINANCE NO. 40-08

AN ORDINANCE AMENDING JACKSON CODIFIED ORDINANCE SECTION 919.03 – UNIFIED UTILITY DEPOSITS AND BILLING, AND DECLARING AN EMERGENCY.

First Reading

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

Mr. Evans stated this was discussed at the last meeting, property owners/landlords who cosign should pay no deposit, does not see a reason for this, it will go on property taxes as a lien. Mr. Detty stated the emergency clause was omitted. Mr. Evans stated this was council's wishes.

Mr. Evans made a motion to amend the ordinance, adding an emergency clause, seconded by Mr. Eric Brown. In a roll call vote, Council voted as follows:

Mr. Evans – yes
Mr. Adams – yes
Mr. Eric Brown – yes
Mr. Smith – yes
Mr. Cary Brown – yes
Mr. Elliott – yes
Mr. Wiggins – yes

In a roll call vote, Council voted as follows:

Mr. Evans – yes
Mr. Adams – yes
Mr. Eric Brown – yes
Mr. Smith – yes
Mr. Cary Brown – yes
Mr. Elliott – yes
Mr. Wiggins – yes

ORDINANCE NO. 40-08 DULY ADOPTED


CORRESPONDENCE - None

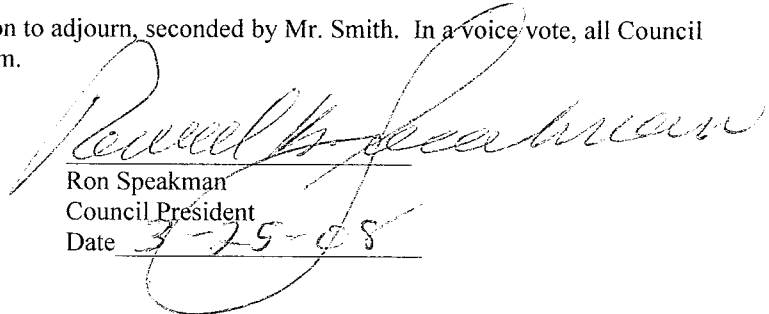
OLD BUSINESS - None

NEW BUSINESS - None

ADJOURN

Mr. Eric Brown made a motion to adjourn, seconded by Mr. Smith. In a voice vote, all Council agreed. Council adjourned at 10:00 p.m.


Tera Brown
Clerk
Date 3-25-08


Ron Speakman
Council President
Date 3-25-08

Jackson Firefighters Association
152 Pearl Street
Jackson, Ohio 45640

February 20, 2006

Mr. William Sheward
Service/Safety Director
City of Jackson
145 Broadway Street
Jackson, Ohio 45640

Dear Mr. Sheward:

This letter is to inform you of the action taken by the Jackson Firefighters Association on February 6, 2008. A motion was passed to turn the brush fire gear, recently purchased by the Association, to the City of Jackson for its care and keeping.

The total cost of this gear was \$11,574.53.

The inventory for this gear is listed below:

22	Gear bags
22	Gear bag straps
22	Front brim helmets
21	Woodland STD jacket
21	Woodland Deluxe pants
21	Pairs of boots
21	Sets of suspenders
21	Wristlet gloves

Should you have any questions regarding this letter please contact Chief Doug Reed or Assistant Chief David Channell.

Sincerely,



George Wastier, Secretary
Jackson Firefighters Association

CC:
Chief Doug Reed
Assistant Chief David Channell

Railroad Committee Report

March 10, 2008


Thank you, Mr. President.

The Railroad Committee has not met since our last Council Meeting, but I will provide the following update.

1. The January 08 Payment from U. S. Rail was received on time, in the amount of \$5,933.06.
2. For the past month we have been taking a back seat on railroad activities, and allowing the City Administration to do their job.
3. We are informed by U.S. Rail that they are on schedule to have the last of our data reports and information available by Mid-March, as promised.
4. We are also informed by U.S. Rail that they will immediately pay any remaining money due the City of Jackson, based on the final data reports.
5. The Jackson County Treasurer's office confirms that all of the 2004 taxes have been paid by U. S. Rail. They also confirm that there are some issues with the 2005 and 2006 as over \$12,000 in payments have been received in 2005 and 2006 but they were unable to determine the specific billing years applicable. A meeting has been set up between U.S. Rail, the County Auditor, and the County Treasurer for Thursday of this week to reconcile all taxes for railroad properties. 2007 are due on March 13th. There is also an issue on 2005, 2006, and 2007 taxes involving U.S. Rail being billed for the taxes on the sites of the Jackson Depot (which U.S. Rail does not use), and the Wellston Depot (which U.S. Rail does not use).
6. We have informed U.S. Rail that our City Auditor's office will be requested to audit the data reporting and financial records received from U.S. Rail.
7. We have been in contact with Mr. Lou Jannazo, Chief Project Development for the Ohio Rail Development Commission (ORDC), concerning an application for federal grant and low interest loan monies. Mr. Jannazo has requested a joint meeting with the City and U.S. Rail to review the merits of this rehabilitation project. We have requested that the City Administration set up this meeting.

We still have unresolved issues, but have made considerable progress in the past two months. We are very close to receiving the rest of the information and monies due. I feel we should have a much clearer picture of this relationship within the next few weeks. I feel it would be appropriate to have time to go over this final data received with the Railroad Committee and the City Auditor's office. Then if appropriate, I would ask that we go into executive session at a future council meeting to discuss "contractual issues".

Curt Wiggins,
Chair, Railroad Committee



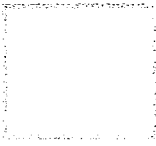
MK Power Solutions

Engineering • Consulting • Design

March 10, 2008

Subject: Major Equipment Contract Issue

- Original Contract Amount: \$1,345,198.48
- Original Contract Date: Feb. 2007
- Delivery Date: August 2007 – 6 Months Late
- Contractor (Gaylor) Claims Delay Damages: \$205,000.00
- Nov. 21, 2007 –City of Jackson Letter Retaining 10%: (\$134,529.85)
- Meeting Held 1/17/08 With HD Supply – City Proposes Giving 10% Withheld To Gaylor – Gaylor Agrees, HD Supply Rejects.
- Gaylor and HD Supply Presently in Negotiation



MK Power Solutions

Engineering • Consulting • Design

March 10, 2008

Subject: Change Order #1

1. Delete One (1) Transmission Structure:	(\$7,850.00)
2. Fencing Changes:	\$2,697.00
3. Anchor Bolts for Static Structure:	\$4,494.00
4. Additional 15 kV Power Cable:	\$23,953.00
5. Conduit Type Revision:	(\$12,466.00)
6. Veteran's Site Work Change (Drainage):	(\$1,245.00)
7. Additional Foundation for Bus Duct:	\$10,425.00
8. Alignment of Bus Duct (Building Problem):	\$8,625.00
9. Additional Connectors and Termination Kits:	\$6,758.00
TOTAL:	\$35,391.00

Original Contract:	\$1,584,216.00
Change Order #1:	\$35,391.00
% of Changes:	2.2%



March 3, 2008

Mr. James Humphreys, City Auditor
City of Jackson
145 Broadway Street
Jackson, Ohio 45640-1656

Re: Gas Invoices Review

Mr. Humphreys:

I have finished reviewing the gas invoices that covered January 2007 through December 2008 for the following locations: 152 Pearl Street, 75 Broadway Street, 1 East Broadway Street, 319 Walnut Street, 184 Portsmouth Street, 145 Broadway Street, and 10 West Main Street, Jackson, Ohio 45640.

A review showed you are currently using Columbia Gas for all of the above locations. A cost comparison over the past 12 months shows that Volunteer Energy could have save you approximately \$406.90 for 152 Pearl Street, \$201.40 for 75 Broadway Street, \$663.30 for 1 East Broadway Street, \$244.31 for 319 Walnut Street, \$247.92 for 184 Portsmouth Street, \$1,233.87 for 145 Broadway Street, and \$324.44 for 10 West Main Street. Because you will be using a private supplier, you will no longer be paying gross receipts tax, but rather sales tax, which the City is 100% tax exempt. That represents an additional cost saving of \$2,080.48 for all locations.

Your cost savings are reflected in the chart below.

LOCATION	COST SAVINGS	TAX EXEMPT SAVINGS
<i>152 Pearl Street</i>	\$406.90	\$244.35
<i>75 Broadway Street</i>	\$201.40	\$119.46
<i>1 E. Broadway Street</i>	\$663.30	\$393.97
<i>319 Walnut Street</i>	\$244.31	\$172.41
<i>184 Portsmouth Street</i>	\$247.92	\$165.46
<i>145 Broadway Street</i>	\$1,233.87	\$731.17
<i>10 West Main Street</i>	\$324.44	\$254.67
Total Cost Savings	\$3,322.14	\$2,080.48
Total Cost Saving plus Tax Exempt Savings	\$5,402.62	



City of Nelsonville
March 3, 2008

I have enclosed a contract for you to review. I will contact you sometime this week as a follow-up. Thank you allowing me an opportunity to give you a quotation. I hope you found this analysis helpful and I look forward to working with you to provide you natural gas at the lowest possible cost.

Sincerely,

Fred R. Holmes

Fred R. Holmes
Volunteer Energy Services, Inc.