

**MINUTES OF THE REGULAR MEETING
MASSILLON CITY COUNCIL
HELD, MONDAY, OCTOBER 17, 2011**

COUNCIL PRESIDENT GAMBER - I'd like to welcome all of you to Massillon City Council for Monday, October 17, 2011. We have in attendance with us this evening: Auditor Ferrero, Engineer Dylewski and Law Director Stergios. On the wall to your left are agendas for anyone who wishes to follow the meeting. Also under item #5 on the agenda is where the public can speak on any item that appears on the agenda and then under item #17 is where the public can speak on any item that does not appear on the agenda. I'd also like to remind anyone with a cell phone please turn it off or turn it very far down.

1. ROLL CALL

Roll call for the evening found the following Council Members present: Gary Anderson, Kathy Catazaro-Perry, Dave Hersher, Paul Manson, Dave McCune, Donnie Peters, Larry Slagle and Tony Townsend.

Thus giving a roll call vote of 8 present.

COUNCIL PRESIDENT GAMBER – Mr. Manson, we have one absence.

COUNCILMAN MANSON – Yes, I make a motion that we excuse Mr. Mang, seconded by Councilman Peters.

Roll call vote of 8 yes to excuse Councilman Mang.

2. INVOCATION

COUNCIL PRESIDENT GAMBER - I will recognize Councilman Tony Townsend for the invocation and the Pledge of Allegiance.

COUNCILMAN TOWNSEND – Led those in attendance with the invocation.

3. PLEDGE OF ALLEGIANCE

COUNCILMAN TOWNSEND – Chairman of the Health, Welfare and Building Regulations Committee led those in attendance in the Pledge of Allegiance.

4. READING OF THE JOURNAL

COUNCIL PRESIDENT GAMBER - Madame Clerk, are the minutes of the previous meeting transcribed and open for public viewing (Yes, they are) Are there any additions or corrections to the minutes? If not the minutes stand approved as written.

5. REMARKS OF DELEGATIONS AND CITIZENS TO MATTERS ON THE AGENDA

6. INTRODUCTION OF ORDINANCES AND RESOLUTIONS

ORDINANCE NO. 121 - 2011

BY: FINANCE COMMITTEE

Making certain appropriations from the unappropriated balance of the Fire Damage Structure Fund, State Highway Fund and the Home Health Fund, for the year ending December 31, 2011,

and declaring an emergency.

COUNCILMAN MANSON – Yes, we have three parts to Ordinance No. 121. We'll start off with the #1 is \$35,000 appropriate from the unappropriated balance of the fire damage structure fund \$35,000 to account #3107.905 fire damage structures. This appropriation is needed to release funds these are funds that we were holding that until the sites were cleaned up. Section 2, is for \$4,500 please appropriate from the unappropriated balance of the state highway fund 1202 to the following account for the fiscal year 1202.420 \$4,500 to salary and safety. This is some funds that are being put into the safety account which would help with snow removal or any thing that maybe going on this winter trying to get a little money there. Section 3 is for \$1,513 the health department needs to appropriate from the unappropriated balance of the home health fund 1235.705 to the amount of \$1,513 to the home health rent that's from AME Zion Church account 1235.705 for rent through the end of the year. If there's any questions we have the auditor here we can discuss them otherwise I will be moving to waive the rule.

COUNCILMAN MANSON moved for suspension of the rules and passage, seconded by Councilwoman Catazaro-Perry.

The rules were suspended by a roll call vote of 8 yes.

ORDINANCE NO. 121 – 2011 WAS PASSED BY A ROLL CALL VOTE OF 8 YES.

RESOLUTION NO. 15 - 2011

BY: FINANCE COMMITTEE

Accepting the amounts and rates as determined by the Budget commission authorizing the necessary tax levies and certifying them to the County Auditor by November 1, 2011, and declaring an emergency.

COUNCILMAN MANSON – Yes, this is what we do every year to verify to the county you know the tax levies that we do have out there and that we do need to fund them. If there's any questions we'll bring the auditor forward.

COUNCILMAN MANSON moved for suspension of the rules and passage, seconded by Councilman Hersher.

The rules were suspended by a roll call vote of 8 yes.

RESOLUTION NO. 15 – 2011 WAS PASSED BY A ROLL CALL VOTE OF 8 YES.

7. UNFINISHED BUSINESS

8. PETITIONS AND GENERAL COMMUNICATIONS

LETTER FROM THE DIVISION OF LIQUOR CONTROL REGARDING A TRANSFER OF LIQUOR LICENSE FROM GIBSON'S FAMILY CARRY OUT LLC DBA GIBSON FAMILY CARRYOUT 1014 AMHERST RD NE MASSILLON OHIO 44646 TO J LALLY INC DBA MASSILLON FAMILY CARRY OUT 1014 AMHERST RD NE MASSILLON OHIO 44646.

9. BILLS, ACCOUNTS AND CLAIMS

A. REPOSITORY - \$931.78

COUNCIL PRESIDENT GAMBER – Mr. Manson?

COUNCILMAN MANSON – I move that we pay the bill, seconded by Councilman Peters.

Roll call vote of 8 yes to pay the bills.

10. REPORTS FROM CITY OFFICIALS

- A). POLICE CHIEF SUBMITS MONTHLY REPORT FOR SEPTEMBER 2011 B COPY FILE
- B). TREASURER SUBMITS MONTHLY REPORT FOR SEPTEMBER 2011 B COPY FILE
- C). FIRE CHIEF SUBMITS MONTHLY REPORT FOR SEPTEMBER 2011 – COPY FILE
- D). INCOME TAX DEPT SUBMITS MONTHLY REPORT FOR SEPTEMBER 2011 – COPY FILE
- E). WASTE DEPT SUBMITS MONTHLY REPORT FOR SEPTEMBER 2011 – COPY FILE
- F). MAYOR SUBMITS MONTHLY REPORT FOR SEPTEMBER 2011 – COPY FILE

COUNCIL PRESIDENT GAMBER – We have numerous reports from city officials all of which we will put on file.

11. REPORTS OF COMMITTEES

COUNCIL PRESIDENT GAMBER – Regarding committee sessions there are five Mondays this month so next Monday the 24th we will skip and then meet again on the 31st.

12. RESOLUTIONS AND REQUESTS OF COUNCIL MEMBERS

13. CALL OF THE CALENDAR

14. THIRD READING ORDINANCES AND RESOLUTIONS

ORDINANCE NO. 116 – 2011 **BY: FINANCE COMMITTEE**

AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$925,000 OF BONDS FOR THE PURPOSE OF CURRENTLY REFUNDING BONDS ISSUED IN 1994 FOR THE PURPOSE OF PROVIDING PERMANENT FINANCING FOR THE MASSILLON SENIOR APARTMENTS PROJECT; AUTHORIZING A BOND PURCHASE AGREEMENT APPROPRIATE FOR THE SALE OF THE BONDS; AUTHORIZING AN ESCROW AGREEMENT IN CONNECTION WITH THE BONDS, IF DESIRED; AUTHORIZING AN OFFICIAL STATEMENT IN CONNECTION WITH THE SALE OF THE BONDS; AUTHORIZING THE PURCHASE OF A MUNICIPAL BOND INSURANCE POLICY, IF DESIRED, IN CONNECTION THEREWITH; AND DECLARING AN EMERGENCY.

COUNCILMAN MANSON – Yes, this is third reading. We have had considerable amount of discussion about this. There will be a significant savings to the city on an annual basis to refinance this \$1.3. It does not affect the agreement that is in place right now whether we continue with it or if we continue with the foreclosure. But it's just trying to get a better rate. The law director is here and the auditor is here if there's any questions I will attempt to get them answered. Then I'll ask to move on it.

COUNCIL PRESIDENT GAMBER – Mrs. Catazaro-Perry?

COUNCILWOMAN CATAZARO-PERRY – Mrs. Ferrero could you approach please? Last week at the work session we had three questions two of them were not mine so I do not recall what they were. But the third question that I had was the fees and I just if wondered if all of council received this for fees.

AUDITOR FERRERO – I sent that to Mary Beth I sent all three answers to all of your questions to Mary Beth and she sent them out to all of you.

COUNCILWOMAN CATAZARO-PERRY – I have a virus on my computer so I just received them tonight and my computer is now up and running again.

AUDITOR FERRERO – Yes, everything was sent out as requested.

COUNCILWOMAN CATAZARO-PERRY – I just want to make note that the fees for the refinancing according to what Perry gave me this evening was \$101,000 for fees just for bond counsel and about \$54,000 for the bank underwriting fees. Then again Perry it was about \$45,000 to date from last year until now correct? For bond counsel?

LAW DIRECTOR STERGIOS – That's included in the \$101,000 that you just...

COUNCILWOMAN CATAZARO-PERRY – That it is included in the \$101,000?

LAW DIRECTOR STERGIOS – Yes, that's part of it that's the column on the right under senior apartments is that.

COUNCILWOMAN CATAZARO-PERRY – Great, that's important to know. Could you go over those other two questions that other council members had last Monday?

AUDITOR FERRERO – Well, let me find out what those were. What were they?

COUNCILWOMAN CATAZARO-PERRY – There were two questions from other council members.

AUDITOR FERRERO – Oh, about a shorter call note. (Yes) Okay, he answered that Eric Erickson in one of his emails and it would cost us so much more in order to do that it was a significant amount. He recommended that we don't do that. Now we have the ability to do it if we chose to but the cost would be almost like a \$100,000 plus we have to buy down points.

COUNCILWOMAN CATAZARO-PERRY – Okay, so if we go ahead tonight and approve this we are guaranteed that if we do end up foreclosing on that that we are going to create an account if we sell it we're going to create an account and all of those funds are going straight into that account.

AUDITOR FERRERO – That's absolutely right and council can direct that.

COUNCILWOMAN CATAZARO-PERRY – I think that's really important that we do that because you know we don't want to throw that money back into the general fund. Although our general fund needs it I think we need to take care of that debt first and get that off of our plate.

AUDITOR FERRERO – Right, the other question was about the savings and our payments in December amount to \$666,795 for the park and rec. its \$529,795 and for senior housing it's \$136,862.50. Now on the proposal they're saying the most that we would have to pay would be this \$248,704 and \$44,633. But when I spoke with Mr. Erickson then he said that it's possible that we won't have to pay anything. It all depends on what the bond counsel decides to do how they roll that in. So if we don't have to make a payment its really good for us because we can free up some that debt fund and we can put that you know that stays in that account because that's already in there right now.

COUNCILWOMAN CATAZARO-PERRY – So our total savings this year if we refinance this is going to be...

AUDITOR FERRERO – About \$300,000 for both of them.

COUNCILWOMAN CATAZARO-PERRY – \$300,000 I was projecting more a little bit higher than that in my mind.

AUDITOR FERRERO – Well, that's if we don't have if we have to pay something we may have to pay part of it or interest only. We don't have to pay \$666,795.

COUNCILWOMAN CATAZARO-PERRY – Okay. Thank you.

COUNCIL PRESIDENT GAMBER – Mr. Peters?

COUNCILMAN PETERS – Mrs. Ferrero, I might not have been paying attention as usual. On that second question that was for the to reduce the amount of time am I correct the years? (No) Okay, that was one of my questions on Monday and that was going to be answered. Remember I asked if we could get it reduced to like 7 years or 5 years and what that fee would be.

AUDITOR FERRERO – I sent all that out from Mr. Erickson and he said that the cost to us would be so astronomical if we shortened that up because you have two notes that we're refinancing. So when we go to the bond counsel and we refinance we want to mirror what we do for each one of those. If we change it up and we do one as a five year and one as a ten year then it costs us more money. So really that's the issue. We can do anything that we want but he suggested that the cost would be he said about I forwarded all that and he said about \$100,000. Does anybody have that email with them?

COUNCILMAN PETERS – My printer is broke I couldn't print it.

COUNCIL PRESIDENT GAMBER – Are you finished Mr. Peters? (Yeah) Mr. Anderson?

COUNCILMAN ANDERSON – Just a couple of questions for Jayne or Mrs. Ferrero I shouldn't call you Jayne. When you refinance obviously you've got an old note and now we're talking about going into a new note. We've got an old payment going into a new payment. I'm just to clarify this within my mind what was the interest rate on the old note and what's the interest rate on the new note going to be?

AUDITOR FERRERO – Well, we don't know for sure what the interest rate is going to be on the new note. I can tell you that we're going to shop some banks for that. I mean we haven't completely determined what bank we're going to go with. We're going to go with the bank that can give us the best interest rate. But as Mr. Erickson said that's going to be around 3 to 3.25%. Right now we're paying in the 8% range. Can you hear me? (I can hear you) Okay, so it's a considerable amount you know rule of thumb as a banker used to be that if you better yourself by two base points its always to your advantage to refinance. Well for us you know we're lowering our interest rate we're extending it the timeframe hasn't changed as far as the end date as for our payments.

COUNCILMAN ANDERSON – Okay, then that leads into the next question interest rate and payments was the first one and you say that we're going to out and somebody's going to shop around and get an interest rate and a payment schedule for us.

AUDITOR FERRERO – Well, that's what we pay Mr. Erickson to do and that's yeah he's our bond counsel and he'll go out again I have an appointment with a banker tomorrow he just asked if he could come and talk. I'll see you know what programs they have to offer but we can choose whatever bank we want.

COUNCILMAN ANDERSON – Okay, so what we're doing tonight is we're not voting on refinancing anything.

AUDITOR FERRERO – Yes, that's what you're voting...

COUNCILMAN ANDERSON – The only thing that we're doing is talking about giving somebody the authority to go out and get us another deal.

AUDITOR FERRERO – No, we are giving the bond counsel authority to go forward because we're up against a scrunch time as you know this you know they came and they talked to us. We've only got some many weeks now to do this because we only have until the beginning of December to get it done. So this is the final vote where you're going to vote that we are going to refinance those bonds. That is what the vote is.

COUNCILMAN ANDERSON – Isn't that like buying a new car without knowing what the price is?

AUDITOR FERRERO – Well, we're going to get the cheapest rate he guaranteed you when he came and talk to you that it would be at least this three I mean you guys you're asking questions you should have asked on Monday last Monday. But I mean everybody should know you have all the information in front of you.

COUNCILMAN ANDERSON – Okay, well I...

AUDITOR FERRERO – I didn't bring all of that because I didn't know I thought you all knew all of this.

COUNCILMAN ANDERSON – Well I want to know what the prices are going to be and the terms and the rate so forth and so on. I for one will not vote for this until I know for a fact what their rates are going to be, what the payments are going to be. I'm sorry I can't vote I can't buy a new car without knowing what the price is.

AUDITOR FERRERO – Well that's not how it's done. What we do is we go to the bond counsel and they're guaranteeing you a certain rate that it will not exceed a certain rate.

COUNCILMAN ANDERSON – But still I it will not buy anything unless I know what the rate and the payments are going to be. I'm sorry.

AUDITOR FERRERO – Well, we don't know until we go out there and negotiate with them.

COUNCILMAN ANDERSON – I would like to know that before I vote. I know.

COUNCIL PRESIDENT GAMBER – Mr. Anderson, are you finished? (Yes) We had Mr. Manson next.

COUNCILMAN MANSON – Yes, I think the email said that to go to the shorter term on the call would raise it approximately 500 basis points which is about a half percent. We're talking a half of a percent on the total of what are we talking 12, 13 million dollars here between the two. It will be a considerable amount.

AUDITOR FERRERO – I don't know Perry do you have that figure?

LAW DIRECTOR STERGIOS – He said it would be at least a \$100,000 extra to change it to a seven year call.

AUDITOR FERRERO – Thank you.

COUNCIL PRESIDENT GAMBER – Mr. Manson, are you finished?

COUNCILMAN MANSON – That's all.

COUNCIL PRESIDENT GAMBER – Mr. Hersher, you had your hand up.

COUNCILMAN HERSHER – Yeah, I was just looking at the numbers and I'm not sure if Mr. Anderson was asking about the rec. center or the senior housing or both. But the average coupon on the current issue bond issue for the senior housing is nearly 8.5%. The average coupon for the refunding would be right around 3.8 if I'm looking at this correctly. So it's a significant drop in terms of buying a car I'm not sure what that means. This isn't a loan these are bonds and you know that means that they're going to have to go to the market and you're not going to know exactly what rate the market is going to bear until they get there. All you know is you know you can look at do you plan on the economic conditions to change significantly over the next month or two. You know nobody has a crystal ball but I think the way that the economy and bond rates and interest rates and things have looked I don't think we should expect a huge jump before and you know at an 8.5% coupon knocking it down it to 3 and change. You know I said I've said along the rec. center and I think there's probably a consensus and I don't want to speak for anybody else but the rec. center seems to be a pretty at least a much easier decision than the senior center. The reason why the senior center deserves some

serious consideration is because we're looking at what \$25,000,000 jumps in the payments over the next three years. So you know yeah it costs us what \$140,000 I think over the 10 years or something to refinance it but that's an exchange for not having to come up with an extra \$25,000,000 for the next three to retire it. Plus I do think it gives us a little more flexibility as we decide what to do with the building because we're not looking at the city having to cover that huge nut for the next three years. Like we've already said if something gets done with the building then all of us that are sitting here are going to demand that money go into I guess you call it like a sinking fund to retire the bonds when they're due. So thank you.

COUNCIL PRESIDENT GAMBER – Mr. Slagle?

COUNCILMAN SLAGLE – Yeah, it seems to me that we're faced with two problems when we were given the senior housing. Number 1, we should have known about this the problem with the debt services many, many, many months ago just like the administration did. Certain in the future I hope future administrations have the courtesy to share with us the thought process that they have on these problems when they arise and not many months and perhaps even a year after they rise when they bring it to us. Because we should of had more time to discuss this in my opinion on the senior housing project. Having said that you know we are handed a bad situation with that senior high rise over at Duncan Place. The problem with it is that no matter what we do we're going to owe this \$1.2. We're either going to owe it over the space of four years which we really can't afford in my opinion based upon without a cut in services or we can spread that note over ten years including the \$41,000 in counsel fees that we'd have to come up with right away. So I don't see how we can do anything but pass this today. I think its it gives us the option number 1 of giving any future buyers an understanding of what they're going to need to cover every year for the life of this bond so that we can get out from underneath that debt. I don't think we'd ever find anyone to buy it right now if they had to come up with \$136,000 this year, \$350,000 next, \$347,000 the year after and \$347,000 the year after. So I think it's the only rational thing to do is to pass the senior housing project. To save time on the next debt I'd just advise you that the rec. board did vote to agree to refinance that bond as well based upon the presentation that was given by our bond counsel to us that I relayed to them. So...

COUNCIL PRESIDENT GAMBER – Finished with the first round. Mr. Townsend or Mr. McCune either of you? Mr. Townsend?

COUNCILMAN TOWNSEND – I have a question I know we're talking about the bonds. But my question is when will the foreclosure proceedings end?

COUNCIL PRESIDENT GAMBER – As you say not part of this discussion.

COUNCILMAN TOWNSEND – I'm going to lead to it.

COUNCIL PRESIDENT GAMBER – You may call the law director forward to a mic if you would like?

COUNCILMAN TOWNSEND – May I please call Mr. Stergios up? When will the foreclosure proceedings end?

LAW DIRECTOR STERGIOS – We're literally three, four months at the earliest I mean everybody hasn't been served or you have 28 days to file an answer from when you get the complaint in the mail. For a couple of them the 28 days hasn't even run yet because we had to serve people at new addresses and things like that. But there is no pressing drop dead date on the calendar for that foreclosure right now. I don't think you'll see one by in any means in 2011. Because its partially would also be up to the court and the court hasn't called us up or sent out anything that says get moving on this I want this off the docket. I mean it takes some time. So and it literally to try to put it in an easy example for all of us because its very complex if you were foreclosing on a house today and you today the judge granted the foreclosure the sheriff sale might be like a year from now. That's how backed up they are or eight months and you still have up to that very moment of the sheriff sale to just dismiss the whole case if you

wanted to and make some other arrangements. So when I say three months for court I'm not even counting from when the case is over to when the sheriff sale might be which is another tremendous time lapse. So there is I think information we need to discuss on that in executive session but there is no pressing date to answer the question.

COUNCILMAN TOWNSEND – So when a foreclosure proceeding end from that time till the end of the sheriff sales will these two agencies still be collecting monies from the senior citizen apartments?

LAW DIRECTOR STERGIOS – That's something we have to decide and I'd rather talk about that as part of the law suit in executive session. But it depends on what we do.

COUNCILMAN TOWNSEND – So we could refinance these what we're talking about here and those two agencies will continue to collect money.

LAW DIRECTOR STERGIOS – Depending on what we do. Yes, that it is true as it stands today that's exactly what would happen unless we take other actions if you catch my drift.

COUNCIL PRESIDENT GAMBER – Are you finished Mr. Townsend?

COUNCILMAN TOWNSEND – I'm finished.

COUNCIL PRESIDENT GAMBER – Alright, Mr. Hersher, you have a question for the law director?

COUNCILMAN HERSHER – Just quickly by other side of that coin we don't refinance and don't do anything else those agencies continue to collect.

LAW DIRECTOR STERGIOS – We're in the same position either way yes.

COUNCILMAN HERSHER – Thank you.

COUNCIL PRESIDENT GAMBER – Mr. Slagle?

COUNCILMAN SLAGLE – I just want to clear up an issue on the call. When these issues talk about a ten year call and this came up at the rec. board meeting that's not when the we could be called to make the payment that's when we could elect to pay off the debt. Is that correct Mr. Stergios?

LAW DIRECTOR STERGIOS – Exactly, yes.

COUNCILMAN SLAGLE – Okay, so we can never be forced into ten years but we could elect to do it at ten years.

LAW DIRECTOR STERGIOS – Exactly.

COUNCILMAN SLAGLE – Alright, thank you.

COUNCIL PRESIDENT GAMBER – Mr. Peters?

COUNCILMAN PETERS – I think the most important thing that we have and we had this clear on Monday night for those of us that were here. That the refinancing has nothing to do with the foreclosure and we need to separate that and understand that that it has nothing to do with the foreclosure. This is strictly to refinance get a better rate and save a lot of money. Correct.?

LAW DIRECTOR STERGIOS – That's absolutely correct. We would be here not to answer or give a longer answer than the question but the refinancing has been talked about for a number of years now between bond counsel and the auditor and the mayor and I've been peripherally involved in everybody's watching rates. They talked about it last year and the advice was well its going to go even lower. Now like I think like Mr. Anderson pointed out we don't know the

exact rate but it has bottomed out according to the experts that tell us it can't get much lower. I mean 3.5% on a bond it just how much lower can it go? It could go to 0 well that's not going to happen. But you know its just like the interest rates you get on your savings account but last year it would have been a hair higher I think were the estimates. But we didn't do it we didn't it in '09 you get the...

COUNCILMAN PETERS – So what I'm also getting at then I don't think it's necessary I'll address this to the chair to discuss anything more about the foreclosure because it has nothing to do with the refinance.

COUNCIL PRESIDENT GAMBER – Tried to make that point.

LAW DIRECTOR STERGIOS – I would prefer to discuss the foreclosure in executive session and I think that would be advisable for all of us if we really want to talk about the foreclosure and aspects involved in that since its pending litigation to do that in executive session.

COUNCILMAN PETERS – That's all I have Mr. President.

COUNCIL PRESIDENT GAMBER – Mrs. Catazaro-Perry?

COUNCILWOMAN CATAZARO-PERRY – I'd like to bring the auditor back up.

COUNCIL PRESIDENT GAMBER – Hang on one second. Does anyone have a question for the law director while he's here? Mr. Anderson, did you? Alright, thank you Mr. Stergios.

COUNCILWOMAN CATAZARO-PERRY – You know I hope I'm reading this correctly. The original issuance of the bonds would put us at paying in 2013 \$863,000 for that year is that correct?

AUDITOR FERRERO – Are you talking about for the senior housing?

COUNCILWOMAN CATAZARO-PERRY – For the rec. center.

AUDITOR FERRERO – Oh for the rec. center.

COUNCILWOMAN CATAZARO-PERRY – I'm looking at what Bricker and Eckler gave us.

AUDITOR FERRERO – Oh you're looking at that. I don't have that with me. I'm so sorry.

COUNCILWOMAN CATAZARO-PERRY – Does anybody have a copy I can could I show her what...

COUNCIL PRESIDENT GAMBER – I'll allow the questioning to go but we're talking about 116 which is the senior center.

COUNCILWOMAN CATAZARO-PERRY – I know but they...

COUNCIL PRESIDENT GAMBER – We'll tie everything altogether here and then that will take care of discussion for 117 I would assume.

COUNCILWOMAN CATAZARO-PERRY – Thank you. I'm on page 3 and page 4 of the rec. center. In 2013 if we did not refinance the bond our bill that year would be \$863,100 is that right? (That's right) Okay, so then in 2013 with the refinancing of the bonds our payment is \$831,943.76 correct?

AUDITOR FERRERO – I'm sorry would you repeat that?

COUNCILWOMAN CATAZARO-PERRY – Page 4 the refunding issue. Look at 121 2013 same year its \$831,943.76 that's our payment for that year is that correct?

AUDITOR FERRERO – That's your total principle and interest.

COUNCILWOMAN CATAZARO-PERRY – So my point is being made is that do we have a plan to pay for the rest of that through 2031? Because we're only getting a reprieve of two years actually then we jump right back into this and back to these astronomical payments that I don't think we have a plan for.

AUDITOR FERRERO – Well, that's what we need we need to put a plan into place. As the we put so much aside for debt payment and we put enough aside in every year's budget in order to pay for all of the debt that's coming forward.

COUNCILWOMAN CATAZARO-PERRY – So you're in agreement with that so the new administration is going to need to get together a plan for that payment.

AUDITOR FERRERO – I say wonderful put a plan together and if we can get something so we can pay it off sooner that's a win, win for the city.

COUNCILWOMAN CATAZARO-PERRY – Okay, so we're going to get a reprieve of two years and then we jump right back into these high payments again.

AUDITOR FERRERO – Well...

COUNCILWOMAN CATAZARO-PERRY – The senior center is a little more controllable. It's a little more plausible because they don't jump that high right away. The rec. center...

AUDITOR FERRERO – But we...

COUNCIL PRESIDENT GAMBER – Just in the interest of getting us back on track this is the refinance this is not the long term plan for anything. This is strictly to refinance which we've had on our docket now for several readings several committee meetings. I'm just reminding that's what this ordinance is refinancing.

COUNCILWOMAN CATAZARO-PERRY – Yes, and all due respect Mr. President I think these questions are pertinent that we understand that when that's going to jump right back up in two years time.

AUDITOR FERRERO – Well, as times goes on it does increase.

COUNCILWOMAN CATAZARO-PERRY – Yes, thank you.

COUNCIL PRESIDENT GAMBER – Mr. Anderson, is your hand up?

COUNCILMAN ANDERSON – Just a comment. My statements earlier were only because I didn't really understand a couple of things. I did get very understandable answers and I really appreciate that and I thank you very much.

COUNCIL PRESIDENT GAMBER – Mr. Slagle?

COUNCILMAN SLAGLE – Madame Auditor page 5 of that report actually showed the savings per year. Right, I mean that's what Councilwoman Catazaro-Perry was discussing. But I mean that shows every year we're saving money over what we were going to pay. Correct? (Correct) But this also comes out of the .03% that comes in the park and rec. levy. I mean they actually pay this, this isn't general fund money.

AUDITOR FERRERO – You're absolutely right. It's not.

COUNCILMAN SLAGLE – Even though it's a general fund obligation it comes from the park and rec.

AUDITOR FERRERO – You're absolutely right.

COUNCILMAN SLAGLE – Alright. Thank you.

AUDITOR FERRERO – One thing I want to clear up with Mr. Townsend he was not here last Monday. I just wanted to make sure that he understood...

COUNCIL PRESIDENT GAMBER – Excuse me, you're addressing it to Mr. Townsend he's not listening.

AUDITOR FERRERO – I'm sorry. Because you said something that I just want to clear up for you because you missed the meeting on Monday and what we explained that when we refinance these bonds we are not using any kind of property for collateral. I just you to be very clear on that. It is bonds that we use for the city, the city's finances are the collateral on these bonds not the physical buildings that we're speaking of. Okay, just so you knew that I just wanted to make sure.

COUNCIL PRESIDENT GAMBER – Mr. Manson, we're back to you.

COUNCILMAN MANSON moved to bring Ordinance No. 116 – 2011 forward for passage, seconded by Councilman Hersher.

ORDINANCE NO. 116 – 2011 WAS PASSED BY A ROLL CALL VOTE OF 8 YES.

ORDINANCE NO. 117 – 2011 **BY: FINANCE COMMITTEE**

AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$11,500,000 OF BONDS FOR THE PURPOSE OF ADVANCE REFUNDING BONDS ISSUED IN 2002 FOR THE PURPOSE OF (I) ACQUIRING LAND IN CONNECTION WITH A CITY RECREATION CENTER; SITE IMPROVEMENTS FOR THE CITY RECREATION CENTER, INCLUDING DEMOLITION RELATED THERETO; CONSTRUCTING, FURNISHING AND EQUIPPING THE CITY RECREATION CENTER; (II) CONSTRUCTING PHASE I PARK AND RECREATION FACILITIES AT THE COMMUNITY PARK; FURNISHING AND EQUIPPING THE SAME; LANDSCAPING AND IMPROVING THE SITES THEREOF; ACQUIRING LAND AND INTEREST IN LAND FOR PARK AND RECREATION PURPOSES; AND (III) DREDGING AND IMPROVING THE RESERVOIR AT RESERVOIR PARK AND SITE IMPROVEMENTS RELATED THERETO; AUTHORIZING A BOND PURCHASE AGREEMENT APPROPRIATE FOR THE SALE OF THE BONDS; AUTHORIZING AN ESCROW AGREEMENT IN CONNECTION WITH THE BONDS; AUTHORIZING AN OFFICIAL STATEMENT IN CONNECTION WITH THE SALE OF THE BONDS; AUTHORIZING THE PURCHASE OF A MUNICIPAL BOND INSURANCE POLICY, IF DESIRED, IN CONNECTION THEREWITH; AND DECLARING AN EMERGENCY.

COUNCILMAN MANSON moved to bring Ordinance No. 117 – 2011 forward for passage, seconded by Councilman Hersher.

COUNCIL PRESIDENT GAMBER – Any limited comment or discussion on this item?

ORDINANCE NO. 117 – 2011 WAS PASSED BY A ROLL CALL VOTE OF 8 YES.

15. SECOND READING ORDINANCES AND RESOLUTIONS

ORDINANCE NO. 119 - 2011 **BY: HEALTH, WELFARE AND BUILDING REGULATIONS**

Enacting a new Chapter 1323 “NOTIFICATION OF FORECLOSURE FILING” of the Codified Ordinances of the City of Massillon, Ohio.

COUNCILMAN TOWNSEND – Second reading.

ORDINANCE NO. 119 – 2011 WAS GIVEN SECOND READING.

ORDINANCE NO. 120 - 2011

BY: FINANCE COMMITTEE

Making certain appropriations from the unappropriated balance of the General Fund, Solid Waste Fund, 1206 Muni Motor Vehicle License Tax Fund, 1401 Capital Improvement Fund and the Local Law Enforcement Trust Fund, for the year ending December 31, 2011, and declaring an emergency.

COUNCILMAN MANSON – Yes, we have five parts to this. I will be going through them in order. The first one is for \$300,000 from the unappropriated balance of 1100 general fund for the northern portion of the former Republic Steel facility. The city was awarded a grant from the State of Ohio for an environmental assessment to be conducted on this property in the amount of said appropriation request. This appropriation is needed for auditing purposes for their reimbursable grant dollars. Ordinance No. 54 – 2011 authorizes the Director of Public Service and Safety to enter into an agreement with the developer for this project. We will have nothing in this, this is the second environmental grant that we have been dealing with on that property down there over the last two years. Part 2 is for \$99,000 prepare an ordinance to appropriate from the unappropriated balance of the solid waste fund to the following account for the fiscal year 2011 salary solid waste \$99,000. Section 3 is for \$51,000 please prepare an ordinance to appropriate \$96,400 from the 1401 capital improvement fund street repairs and \$51,000 from the 1206 municipal motor vehicle license tax fund for the 2011 various street project. Full depth pavement replacement will be completed on deteriorated roadways located on the following streets: Lanedale, Woodstone, Augusta Drive, Veterans Blvd and Cyprus Drive NE. That takes care of 3 and 4. Number 5 is for \$6,000 appropriate \$6,000 from the unencumbered balance of the local law enforcement trust fund account #1215 into account 1215.305. These monies are needed to purchase ammunition for requalification and training for the police officers.

COUNCIL PRESIDENT GAMBER – Any comments or questions? Mrs. Catazaro-Perry?

COUNCILWOMAN CATAZARO-PERRY – I would like to make a motion to separate and split out section 3 and 4 of Ordinance No. 120 – 2011 and vote on these separately.

COUNCIL PRESIDENT GAMBER – Is there a second for the motion? Seconded by Councilman Slagle. Would anyone like to spend any time discussing this? Mr. Slagle?

COUNCILMAN SLAGLE – I think as a matter of courtesy if the Councilwoman Catazaro-Perry would like to have that one split out for the purposes of identifying her philosophically opposed vote to the one section that an appropriate thing to do. I think too often in American politics we group things together forcing people to vote on this or not vote on this when things are placed into a piece of legislation solely for purposes of forcing people to vote one way or the other when in fact they may support 98% of the bill. We see that way too often in the national legislature. So if she feels that section should be split out I think there's no reason why we shouldn't do so.

COUNCILMAN MANSON – Yes, I would advocate for leaving it alone. We voted on both of those separately as far as the projects and this is nothing more than appropriating the money to take care of them. So I think it should just be left alone as it is.

COUNCIL PRESIDENT GAMBER – Is there anyone else?

Sections 3 and 4 was separated out from Ordinance No. 120 – 2011 by roll call vote of 5 yes, 3 no. Hersher, Manson and Peters voted no.

COUNCIL PRESIDENT GAMBER – Alright, it has been separated. Mr. Manson, we're going to work backwards because that's the way these things work. But we never had a motion from you to do anything with this ordinance. So at this point we will take a vote on the deleted sections.

COUNCILMAN PETERS – Well, what are we doing?

COUNCIL PRESIDENT GAMBER – She wanted them separated to be voted on. You're now voting on.

COUNCILMAN PETERS – Every one of them?

COUNCIL PRESIDENT GAMBER – No, section 3 and 4 which is what her motion was. She made a motion to separate these two items out. You are now voting on passage of section 3 and 4. Mr. Hersher?

COUNCILMAN HERSHER – Did we suspend the rules for section 3 and 4?

COUNCIL PRESIDENT GAMBER – You have a very good point. That's why I say we're doing this backwards we took that motion before Mr. Manson had an opportunity to do anything with the ordinance that's he's the chairman of the committee. So Mrs. Catazaro-Perry we'll need a motion from you to suspend the rules.

COUNCILWOMAN CATAZARO-PERRY moved for suspension of the rules of section 3 and 4 of Ordinance No. 120 – 2011 and bring it forward for a vote. Seconded by Councilman Slagle.

COUNCILMAN PETERS – I've got a question. If we don't suspend the rules...

COUNCIL PRESIDENT GAMBER – Then it has second reading...

COUNCILMAN PETERS – And this has to be passed doesn't it.

AUDITOR FERRERO – No.

COUNCILMAN PETERS – Oh, no. I change my vote.

Rules were not suspended by a roll call vote of 6 yes, 2 no. Manson and Peters voted no.

COUNCIL PRESIDENT GAMBER – The rules are not suspended. Mr. Manson, we now move in a very herky, jerky motion back to you. If you would like to give this second or ask for suspension for the remaining sections of the ordinance.

COUNCILMAN MANSON moved for suspension of the rules of sections 1, 2 and 5 forward for passage, seconded by Councilwoman Catazaro-Perry.

The rules were suspended by a roll call vote of 8 yes for sections 1, 2 and 5 of Ordinance No. 120 – 2011.

SECTIONS OF 1, 2 AND 5 OF ORDINANCE NO. 120 – 2011 WAS PASSED BY A ROLL CALL VOTE OF 8 YES.

16. NEW AND MISCELLANEOUS BUSINESS

17. REMARKS OF DELEGATIONS AND CITIZENS TO ITEMS NOT ON THE AGENDA

COUNCIL PRESIDENT GAMBER – Let me once again welcome all of you for being here. Are you all with the same school the same class? How many are here from Jackson? Who's here from someplace other than Jackson and where are all of you from? Tuslaw? I didn't hear you? Central, I'm sorry I will once again thank you for being here.

18. ADJOURNMENT

COUNCILMAN TOWNSEND – I move that we adjourn, seconded by all.

MARY BETH BAILEY, CLERK,

GLENN E. GAMBER, PRESIDENT



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