

THE CITY OF HURON, OHIO
Proceedings of the Huron City Council
Regular Meeting Wednesday December 27, 2017 at 6:30 p.m.

A regular meeting of the City Council of the City of Huron, Ohio was called to order by Mayor Hartung on Wednesday, December 27, 2017 at 6:30p.m. in the Council Room of City Hall, 417 Main Street, Huron, Ohio.

The Mayor called for a moment of silence. After the moment of silence, the Mayor led in saying the Pledge of Allegiance to the Flag, and then directed the Clerk to call the roll. The following members of Council answered present: **Rick Schaffter, Trey Hardy, Christine Crawford, Brad Hartung, Joe Dike, and Sam Artino.** Members absent: **Glen Ginesi.**

Also present: City Manager Andy White, Law Director Laura Alkire, Finance Director Cathy Ramey, Assistant to the City Manager Mike Spafford, and Management Services Coordinator-Clerk of Council Christine Gibboney.

Motion by Mr. Schaffter to excuse Mr. Ginesi from the meeting. The Mayor asked if there was any discussion on the motion. The Mayor directed the Clerk to call the roll on the motion. Members of the Council voted as follows:

YEAS: Schaffter, Hardy, Crawford, Hartung, Dike, Artino (6)

NAYS: None (0)

There being a majority in favor of the motion, the Mayor declared the motion passed and Mr. Ginesi excused.

Approval of Minutes

Motion by Mr. Artino that the minutes of the work session and regular meeting of December 12, 2017 be approved as printed and received. The Mayor asked if there was any discussion on the motion. There being no discussion, he directed the Clerk to call the roll on the motion. Members of Council voted as follows:

YEAS: Artino, Schaffter, Hardy, Crawford, Hartung, Dike (6)

NAYS: None (0)

There being more than a majority voting in favor of the motion, the Mayor declared the motion passed.

There were no Audience Comments; the next item on the agenda was New Business.

New Business

Resolution 2017-93

Motion by Mr. Dike that the three reading rule be suspended and Resolution No. 2017-93 (A RESOLUTION AUTHORIZING AND DIRECTING CERTAIN TRANSFERS AMONG THE VARIOUS FUNDS OF THE CITY) be placed upon its first reading. The Mayor asked if there was any discussion on the motion. The Mayor directed the Clerk to call the roll on the motion. Members of the Council voted as follows:

YEAS: Dike, Artino, Schaffter, Hardy, Crawford, Hartung (6)

NAYS: None (0)

There being five votes or more in favor of the motion, the Mayor declared the motion passed on suspension of the rules. The Mayor directed the Law Director to read the Resolution by its title only. The Mayor asked if there was any discussion. Mr. White referenced Exhibit "A" of the resolution and reviewed entries, noting these were previously budgeted transfers presented pursuant to the ORC. There being no further discussion, the Mayor directed the Clerk to call the roll on the final adoption of Resolution 2017-93. Members of Council voted as follows:

YEAS: Dike, Artino, Schaffter, Hardy, Crawford, Hartung (6)

NAYS: None (0)

There being a majority vote in favor of adoption, the Mayor declared that Resolution No. 2017-93 had been adopted. The Resolution as adopted was signed by the Mayor and Clerk of Council and will take effect immediately.

Resolution 2017-94

Motion by Mr. Hardy that the three reading rule be suspended and Resolution No. 2017-94 (A RESOLUTION ACKNOWLEDGING THE ACCEPTANCE OF THE PROPOSAL AND AGREEMENT WITH MEDICAL MUTUAL INSURANCE, FOR THE PROVISION OF 2018 MEDICAL HEALTH INSURANCE COVERAGE) be placed upon its first reading. The Mayor asked if there was any discussion on the motion. The Mayor directed the Clerk to call the roll on the motion. Members of the Council voted as follows:

YEAS: Hardy, Crawford, Hartung, Dike, Artino, Schaffter (6)

NAYS: None (0)

There being five votes or more in favor of the motion, the Mayor declared the motion passed on suspension of the rules. The Mayor directed the Law Director to read the Resolution by its title only. The Mayor asked if there was any discussion. Mr. White referenced the executive summary, and recapping the efforts of staff in securing and reviewing quotes and selecting Medical Mutual as the city's healthcare insurance provider. He referenced a 5.8% increase to the premium over 2017. A brief discussion regarding the healthcare fund year-end balance ensued and it was noted that policy for 2018 will need to be considered. There being no further discussion, the Mayor directed the Clerk to call the roll on the final adoption of Resolution 2017-94. Members of Council voted as follows:

YEAS: Hardy, Crawford, Hartung, Dike, Artino, Schaffter (6)

NAYS: None (0)

There being a majority vote in favor of adoption, the Mayor declared that Resolution No. 2017-94 had been adopted. The Resolution as adopted was signed by the Mayor and Clerk of Council and will take effect immediately.

Resolution 2017-95

Motion by Ms. Crawford that the three reading rule be suspended and Resolution No. 2017-95 (A RESOLUTION ACKNOWLEDGING THE ACCEPTANCE OF A PROPOSAL AND AGREEMENT FROM TRUASSURE INSURANCE COMPANY FOR THE PROVISION OF 2018 DENTAL INSURANCE COVERAGE) be placed upon its first reading. The Mayor asked if there was any discussion on the motion. The Mayor directed the Clerk to call the roll on the motion. Members of the Council voted as follows:

YEAS: Crawford, Hartung, Dike, Artino, Schaffter, Hardy (6)
NAYS: None (0)

There being five votes or more in favor of the motion, the Mayor declared the motion passed on suspension of the rules. The Mayor directed the Law Director to read the Resolution by its title only. The Mayor asked if there was any discussion. Mr. White referenced the summary, noting this plan for dental insurance reflects a reduction in premium costs over 2017 and provides a 24 month term. There being no further discussion, the Mayor directed the Clerk to call the roll on the final adoption of Resolution 2017-95. Members of Council voted as follows:

YEAS: Crawford, Hartung, Dike, Artino, Schaffter, Hardy (6)
NAYS: None (0)

There being a majority vote in favor of adoption, the Mayor declared that Resolution No. 2017-95 had been adopted. The Resolution as adopted was signed by the Mayor and Clerk of Council and will take effect immediately.

Ordinance 2017-44

Motion by Mr. Schaffter that the three reading rule be suspended and Ordinance 2017-44 (AN ORDINANCE AMENDING ORDINANCE NO. 2016-32 ADOPTED DECEMBER 27, 2016 RELATING TO EXHIBIT "A" APPROPRIATIONS FOR THE FISCAL YEAR ENDING DECEMBER 31, 2017) be placed upon its first reading. The Mayor asked if there was any discussion on the motion. The Mayor directed the Clerk to call the roll on the motion. Members of the Council voted as follows:

YEAS: Schaffter, Hardy, Crawford, Hartung, Dike, Artino (6)
NAYS: None (0)

There being five votes or more in favor of the motion, the Mayor declared the motion passed on suspension of the rules. The Mayor directed the Law Director to read the Ordinance by its title only. Mr. White referenced the revenue and expense entries on Exhibit "A" of the Ordinance, noting the entries reflect the final year-end reconciliation of the 2017 budget. He explained that unanticipated revenue and receipted revenue that could be received up to December 31, 2017 needs to be accounted for on the revenue ledger, providing an example of the projected figures which have been included in the exhibit. Mr. White reviewed select revenue and expense entries and asked if there were any questions. The Mayor inquired about the Damaged Structure Fund. Ms. Alkire noted that this is a statutory fund typically used for fire insurance proceeds, explaining for example when there has been a large fire, the insurance company will deposit the proceeds with the city with the city acting like an escrow account. She noted in this case, it was a result of storm damage to a garage. Ms. Ramey added that the proceeds are then distributed to the property owner. Mr. Artino inquired about what fund the expenses for Juniper and Liberty Development are coming out of. Mr. White explained these are not on this exhibit- they are included in the budget and expense comes out of Fund 277-Economic Development Fund. There being no further discussion, the Mayor directed the Clerk to call the roll on the final adoption of Ordinance 2017-44. Members of Council voted as follows:

YEAS: Schaffter, Hardy, Crawford, Hartung, Dike, Artino (6)
NAYS: None (0)

There being a majority vote in favor of adoption, the Mayor declared that Ordinance 2017-44 had been adopted. The Ordinance as adopted was signed by the Mayor and Clerk of Council and will take effect immediately.

Public Hearing

Public Hearing- 2018 Proposed Municipal Budget

Mayor Hartung asked for a motion to move into a Public Hearing on the 2018 Proposed Municipal Budget. **Motion by Mr. Artino to move into a Public Hearing on the 2018 Proposed Municipal Budget. No objections voiced.** The Mayor declared the Public Hearing to order at 6:49p.m. and asked if there were any questions or comments. Mr. White referenced Exhibit "A" of the ordinance, noting the document includes all the modifications discussed and recommended by the Finance Committee as well as final financial activities. He reviewed the entries including cash on hand, but noted that this does not reflect anticipated revenues that will be received. He mentioned the need to discuss further the surplus policy for 2018. He also pointed out the anticipated 272 new jobs coming to the Rye Beach area and the income tax revenue as well as water and electrical revenue that are anticipated but not included in the budget. The Mayor asked if there were any questions or further discussion, there being none the Mayor noted the Public Hearing was closed and the regular meeting of December 27, 2017 had resumed at 6:52pm.

Ordinance 2017-45

Motion by Mr. Schaffter that the three reading rule be suspended and Ordinance 2017-45 (AN ORDINANCE MAKING APPROPRIATIONS FOR THE CURRENT EXPENSES AND OTHER EXPENDITURES OF THE CITY OF HURON, OHIO DURING THE FISCAL YEAR ENDING DECEMBER 31, 2018) be placed upon its first reading. The Mayor asked if there was any discussion on the motion. The Mayor directed the Clerk to call the roll on the motion. Members of the Council voted as follows:

YEAS: Schaffter, Hardy, Crawford, Hartung, Dike, Artino (6)

NAYS: None (0)

There being five votes or more in favor of the motion, the Mayor declared the motion passed on suspension of the rules. The Mayor directed the Law Director to read the Ordinance by its title only. Mr. White referenced discussion within the Public Hearing. The Mayor noted that Council will need to discuss the fiscal surplus policy with the Finance Committee at a future meeting. There being no further discussion, the Mayor directed the Clerk to call the roll on the final adoption of Ordinance 2017-45. Members of Council voted as follows:

YEAS: Schaffter, Hardy, Crawford, Hartung, Dike, Artino (6)

NAYS: None (0)

There being a majority vote in favor of adoption, the Mayor declared that Ordinance 2017-45 had been adopted. The Ordinance as adopted was signed by the Mayor and Clerk of Council and will take effect immediately.

Ordinance 2017-46

Motion by Mr. Dike that the three reading rule be suspended and Ordinance 2017-46 (AN ORDINANCE AMENDING HURON CODIFIED ORDINANCE SECTION 161.04 (A), EXHIBIT "A" POSITION AND SALARY SCHEDULE AND DECLARING AN EMERGENCY) be placed upon its first reading. The Mayor asked if there was any discussion on the motion. The Mayor directed the Clerk to call the roll on the motion. Members of the Council voted as follows:

YEAS: Dike, Artino, Schaffter, Hardy, Crawford, Hartung (6)
NAYS: None (0)

There being five votes or more in favor of the motion, the Mayor declared the motion passed on suspension of the rules. The Mayor directed the Law Director to read the Ordinance by its title only. **Motion was made by Mr. Dike that Ordinance 2017-46 be passed as an emergency measure.** The Mayor asked if there was any discussion. There being no discussion, the Mayor directed the clerk to call the role on the motion. Members of Council voted as follows:

YEAS: Dike, Schaffter, Hardy, Crawford, Hartung (5)
NAYS: Artino (1)

There being five or more votes in favor of the motion, the Mayor declared the motion passed on the emergency measure. Mr. White noted this is annual legislation that sets the salaries which are included in the 2018 budget that has now been adopted. He referenced the executive summary, noting the Full Time Position Salary Schedule –Pay Scales 6, 5, 2 are amended to accommodate the union contracts which City Council adopted previously, and the remaining Pay Scales relate to growth in wages and reconcile with the 2018 budget. Mr. White referenced the past salary study that was preformed, but noted the useful life has expired; explaining that the budget could accommodate such a study in 2018. Mr. Artino asked if this schedule includes Municipal Court, the Mayor and Mr. White confirmed that it does. Mr. Hardy inquired about the IT Manager range increase as it is larger in proportion than the others. Mr. White explained this is due to a transition in the HPD Captain/IT position, as Mr. Zappa will no longer function as a HPD Captain, adding that Captain position-where the IT function was performed, is now reflected in the actual IT Manager pay scale. Mr. White added that in 2018, the city will have to determine the final preference as to how to address IT Services. There being no further discussion, the Mayor directed the Clerk to call the roll on the final adoption of Ordinance 2017-46. Members of Council voted as follows:

YEAS: Dike, Schaffter, Hardy, Crawford, Hartung (5)
NAYS: Artino (1)

There being a majority vote in favor of adoption, the Mayor declared that Ordinance 2017-46 had been adopted. The Ordinance as adopted was signed by the Mayor and Clerk of Council and will take effect immediately.

Ordinance 2017-47

Motion by Mr. Artino that the three reading rule be suspended and Ordinance 2017-47 (AN ORDINANCE AMENDING SECTION 161.04.1 OF THE ADMINISTRATIVE CODE OF THE CODIFIED ORDINANCES AND DECLARING AN EMERGENCY) be placed upon its first reading. The Mayor asked if there was any discussion on the motion. The Mayor directed the Clerk to call the roll on the motion. Members of the Council voted as follows:

YEAS: Artino, Schaffer, Hardy, Crawford, Hartung, Dike (6)
NAYS: None (0)

There being five votes or more in favor of the motion, the Mayor declared the motion passed on suspension of the rules. The Mayor directed the Law Director to read the Ordinance by its title only. **Motion was made by Mr. Artino that Ordinance 2017-46 be passed as an emergency measure.** The Mayor asked if there was any discussion. There being no discussion, the Mayor directed the clerk to call the role on the motion. Members of Council voted as follows:

YEAS: Artino, Schaffter, Hardy, Crawford, Hartung, Dike (6)

NAYS: None (0)

There being five or more votes in favor of the motion, the Mayor declared the motion passed on the emergency measure. Mr. White noted the Charter referenced positions reflected in this ordinance (Law Director, Finance Director, Fire Chief, Police Chief and Service Director) are separated out from the remaining employees of the city which were reflected in the previous ordinance. He explained this annual legislation reconciles these position salaries to the budget. Mr. White explained the vacant position salaries reflected in the ordinance remain unchanged and the amendments to the others reflect the direction given and the adopted budget. There being no further discussion, the Mayor directed the Clerk to call the roll on the final adoption of Ordinance 2017-47. Members of Council voted as follows:

YEAS: Artino, Schaffter, Hardy, Crawford, Hartung, Dike (6)

NAYS: None (0)

There being a majority vote in favor of adoption, the Mayor declared that Ordinance 2017-47 had been adopted. The Ordinance as adopted was signed by the Mayor and Clerk of Council and will take effect immediately.

Appointments of Board/Commission/Committee Members

The Mayor referenced the proposed appointment listing and asked for a motion to approve same.

Motion by Mr. Schaffter to approve the appointments of Board/Commission/Committee Members as presented. The Mayor asked if there was any discussion. There being no discussion, the Mayor directed the clerk to call the role on the motion. Members of Council voted as follows:

YEAS: Schaffter, Hardy, Crawford, Hartung, Dike, Artino (6)

NAYS: None (0)

There being five or more votes in favor of the motion, the Mayor declared the motion passed and appointments to Boards/Commissions/Committees confirmed.

City Manager's Discussion

- Referenced the need for a work session meeting in the 2018 to continue discussion on objectives. He referenced the adopted budget which includes the funding to outsource the Prosecutor function which would free up time in administration for Human Resource functions.
- Ms. Alkire distributed packets provided by Judge Steuk to Council members. Mr. White explained that the Judge had delivered these on Friday and pertains to a journal entry related to the merit compensation program. Mr. White recapped the history of the elimination of longevity payments and the establishment of a merit compensation program, noting the program is driven by one principal -that compensation for performance is paid out in so far as the city's financial bottom line is solvent. Mr. White noted he had received a request for merit compensation for Municipal Court personnel in early November. He referenced the percentages being requested (5%, 3%, 1%), the operational imbalance in payroll throughout the year relative to staffing in the Municipal Court, and referenced the Council-set 3% ceiling established for merit compensation in 2017. He referenced the timeline in conversations with the Judge and referenced the email conversations which were also distributed to Council. He noted the journal entry, the Judge ordered sets merit compensation for amounts within the parameters set by Council, noting he did not understand this action as a journal entry would not be needed. In addition, Mr. White noted he was not in agreement with representations made within the journal entry packet and advised members to read through the packet and the email correspondence provided. Ms. Alkire advised there were two issues relating to this matter: 1) resignation of a long term employee due to going onto PERS Disability and 2) merit compensation program. She referenced the email

correspondence she had compiled, noting that the Mayor had been included on many of the emails and explained that the Mayor and administration felt it important to provide these to Council. She explained that around December 18th administration finalized the merit compensation program for staff and she had contacted the Judge on that day to relay that payments would go out at the end of the week if he wished to submit a revised merit compensation recommendation within the 3% threshold and then they could be included with the other payments or another option could have been special checks cut by Finance. Ms. Alkire referenced the packets prepared by Judge Steuk, noting that she has only seen the contents of the Mayor's packet which contain two (2) journal entries: 1) one that states from this point forward the Municipal Court will not be participating in the city's merit compensation program and that he intends to journal from here on out any merit compensation that would be afforded to his staff. 2) Setting forth 3%, 3%, 1% merit compensation payments and ordering the city to pay these. Ms. Alkire explained a journal entry is a court order and if the city does not comply, the city is at risk of two things: being sued or the judge can hold the city in contempt for not paying. She referenced research into similar cases and noted the amended dollar amount the Judge has journaled is the amount the city offered to provide, noting she feels there is no legal basis to do anything other than to direct the Finance Department to pay the merit compensation as journaled. She also referenced corresponded drafted by the Judge in the packet explaining his perspective on the situation. She noted she does not agree with all the points made as far as the level of communication on this topic. Mr. White referenced the threshold that was in place which was set by Council and explained that he was not going to exceed the threshold without proper communication from Council. Mr. White then referenced several points he had included in an email to the Judge to which he has received no response. He explained some of the point raised - one long time employee, who is now on disability, was not included in the program and one is a probationary employee who is not eligible for merit compensation but is included. Mr. White then referenced the current Municipal Court budget noting the budgetary submission for revenue for the Municipal Court will not be met and will be short approximately \$20,000 in the General Fund, referenced staffing issues as two people were occupying one position on the employment roster for the better part of 11 months this year, with the budget adopted that only included one, referencing the previous budget adjustment required due to this staffing issue and the assistance initiated by administration to remedy the shortfall, provided a recap of the original grant funded position, and provided an overview of budgetary comparisons from 2004 compared to 2017. The Mayor noted he had spoken to the Judge today and asked if he wanted to address Council, the Judge replied not at this time as he asked that Council members take time to review the information and go from there. The Mayor asked if there should be a meeting held in January with the Judge. Ms. Alkire referenced that the Supreme Court does offer a government legislative mediation service, noting she can provide more information on this if desired. The Mayor advised that members read through the packet from the Judge and the email correspondence and further discussion can be entertained if desired.

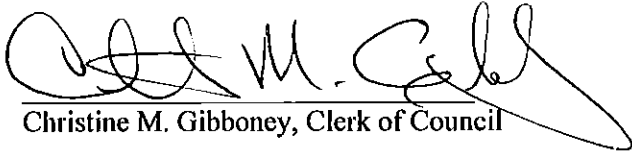
Mayor's Discussion

- Asked for input from Council on scheduling a Work Session with members of the Planning Commission and Finance Committee. Brief discussion ensued resulting in recommendation of a Saturday morning work session sometime in the first quarter. The Mayor noted he would touch base with the chairs of the Planning Commission and Finance Committee.

For the Good of the Order

- Members expressed Holiday wishes to all.
- Mr. Schaffter recognized the Street Department staff for their snow plowing efforts over the weekend.

There being no further business to come before the Council, the Mayor declared the regular meeting adjourned at 7:29p.m.



Christine M. Gibboney, Clerk of Council