

City of Gahanna

*200 South Hamilton Road
Gahanna, Ohio 43230*



Meeting Minutes

Monday, September 24, 2001

Immediately following Previous Committees or

8:00 PM

City Hall

Finance Committee

*Karen J. Angelou, Chairman
L. Nicholas Hogan
Thomas R. Kneeland
Michael O'Brien
Debra A. Payne
Donald R. Shepherd
Rebecca W. Stinchcomb, ex officio
W. Jerome Isler, ex officio*

Members Present: Karen J. Angelou, L. Nicholas Hogan, Thomas R. Kneeland, Michael O'Brien, Rebecca W. Stinchcomb, Donald R. Shepherd and Debra A. Payne

ADDITIONAL ATTENDEES:

Press; David Lee; Tom Weber; Mayor; Bonnie Gard; Karl Wetherholt; Jerry Isler; Tony ; Tom Komlanc; Marti Armstrong; Raleigh Mitchell

VISITORS:

Greg Dunn, WideOpenWest Cable Franchise Transfer

Chris Miller stated that we are recommending that you go through with this; Ameritech New Media is a subsidiary of SBC, Inc.; they have no desire to continue to operate any cable system; have been trying to sell off to somebody; SBC has a history of just turning it off; they found a buyer; a start up company; been in operation approximately 2 years; WOW intends to take the current system to make it accessible for high speed modem; will be adding more technology over the lines; our recommendation is to go forward; we have prepared the appropriate legislation; an assignment agreement that Council would approve with WOW; be under the current franchise obligations. Angelou asked if the modem and internet access would come under a different franchise. Miller answered not currently; other providers are paying their 5 % on their internet access. Kneeland asked about the voice services. Miller answered that you would maintain your current telephone service to have the phone; WOW would act as a resaler; would be able to do it over an ip transfer; no long distance charges; with a monthly charge you get all the cable channels; cable modem service; 1200 minutes of phone time. George Duffy with WOW stated that the IP voice is a new technology; would be a flat rate; it is in beta testing now. Kneeland asked about 911 service. Duffy answered that if you press 911 it goes to 911; there are a lot of gray areas. Angelou asked about maintenance and service. Duffy answered that there really is none; works in conjunction with local telephone; turns out to be about 3 1/2 cents a minute long distance. Miller stated that they would be a resaler; would still have a hard wired phone. Kneeland asked about Ameritech shutting off services and walking; don't we have removal clauses. Miller stated that the most logical decision for Ameritech was balancing things; that is why they decided to sell. Kneeland stated that he wanted to make sure we are covered; very concerned that whoever comes in has viability. Tom Cohan with Ameritech stated that they like WOW and the idea of competition; we visited 31 communities; every local official stated that they like Ameritech; good competitor; made the other operators better; SBC wanted competition; WOW is aggressively competing; they have a similar business plan; this instance in the high speed data; Time Warner rolled out Road Runner; WOW is competing across the board with SBC Ameritech and Time Warner. Hogan stated that he is a member of Americast; if sale goes through when would bill change to WOW. Duffy stated it would change after next billing cycle; maybe in November or December. Angelou asked what is the potential package that is going to be offered. Duffy stated that it will be more services for less money. O'Brien stated that it said in contract that if the purchase isn't completed by December 31, WOW will appear before us and explain why and where they are at with the purchase. Weber stated that we don't want a Resolution we want an Ordinance. Miller stated that part of that ordinance is an assignment agreement that the Mayor would execute before October 31. Angelou asked about the miscellaneous item of \$2500 to be paid 30 days following closing; would that cover our legal fees. Miller answered that if there are any more fees we usually write them off; our fees are within the work that we do.

RECOMMENDATION: 1st Reading; No need to come back; 2nd Reading; Consent

PENDING LEGISLATION:

ORD-0200-2001

SUPPLEMENTAL APPROPRIATION - Repeal Annexation Bill

Angelou stated that the question is should we or shouldn't we; if we should how much. Weber stated that I think we should; amount is up to Council; it will need to be done in order to reach the signature deadline by October 25; the only way to achieve this is to have some paid professional people go out and get the signatures; we need to make a contribution to that effort. White stated that she had talked to some of the other cities; received responses back from Pickerington; they are in the process of passing this; because of time frame we have to have legislation passed to make the commitment assuming that we are serious; there are 9 communities that are indicating between \$15,000 and \$20,000. Payne stated that she heard from Bill Havey that the major cities are not going to put money in this; not really doing what they hoped it would do; you would expect Columbus to be on board. Stinchcomb asked if a group had been put together with money they have received already; are they at work. Weber stated he believed they had started because of the time frame; don't know how far they got; at this point we have to get 206,000 signatures in the last 4 to 6 weeks; if for some reason effort never occurred we could ask for funds back. Hogan asked what ballot would this be on; will it be occurring this November. Weber stated it will be in November 2002; we have a stay in the effective date; even if the referendum would fail it would give us another year for cities to try to grow under existing law; does buy us time. Hogan stated that he does support this; in order to make this valid they are going to need at least 300,000 signatures; plus if we commit the funds and they come up short we won't get money back; cannot be assured that you will get the signatures; the money will be gone once we commit; want to make sure that we have the support of other cities once it is time to vote. White stated that this is not going to be the only issue on this bill; need to be looking at all the branch off items; someone has to take the leadership; whether it's Gahanna or not. Angelou asked if there were any suggestions as to amount. O'Brien stated that the e-mail suggested \$15,000 to \$20,000; feel we should go with minimum; at least \$15,000. Kneeland stated that he is still concerned about participation; once we lock in what is the payment deadline. Weber stated it would be a.s.a.p to pay the workers. Kneeland stated that he still feels it is too little too late; not that I don't believe in the cause for the overall good; still would support. Shepherd stated \$15,000 was fine. Hogan agreed that \$15,000 was fine. Stinchcomb stated that she shared Kneeland's concern; agreed with \$15,000 amount. Angelou stated that we will need a motion to change to \$15,000 when we go into our special meeting.

Recommended for Adoption, Consent

ISSUES - From Director of Finance:

Gahanna Care Center - Reissuance of Bonds

Isler stated that this is a request through our bond attorney; we will be involved with name only; have no responsibility for payment; bond for the Gahanna Care Center bought by Key Bank; currently the interest rates are down; will sell them to Huntington. Angelou asked if this is something we should say is ok. Weber stated there is no problem. Isler stated that they were not offering any compensation for Gahanna's work as they have in the past. Weber stated that we need to ask for it. Kneeland asked if there was any benefit in doing this. Isler stated that there really is no benefit; there is no obligation on our part to pay on these bonds. Payne asked why do we do this. Isler stated that this really gives them a very major rate that they can't get without our endorsement.

Payne agreed that we need to request them to cover administration fees. Isler stated that he didn't want to pursue until he heard from Council. Weber stated that nothing changes; there is always a note with no obligations to the cities and lets us know how much is out there.

RECOMMENDATION: 1st Reading; No need to come back; 2nd Reading; Consent

Supplemental Appropriation - Health Care Assessment

Isler stated that we were one of the communities that was a heavy user of it; especially in 1998; very bad year; have not helped to generate revenue toward it; total assessment is \$1 million 50 dollars; only problem argues through the thing; how the assessment was derived; its the way its specified based on a percentage of contribution; does not relate to any communities losses within \$500; that is what our losses were some communities; were positive having to divy up the same thing one community paying hardly anything we are looking may amend within this period for all future one to make it more equitable. Angelou asked Isler you sit on this board; could we go someplace out. Isler stated that we can't buy the coverage we have anywhere else right now; the administrative cost is under 4 percent. O'Brien asked where did our exceptional cost come from. Isler stated that 1998 was an exceptional year; the major thing is prescription drugs; costs are in excess of \$20,000; it is based on a percentage; now they pay 10% on generic; 15% on brand names; 6% on mail order; within the period of the assesment it was a \$5 dollar card; did not capture where the cost was. Angelou stated that as we do the contract need to take a look at ratio of what employees are giving; the City cannot continue to take the burden of health care. Isler stated that the other fact is we have incorporated two plans; the network plan other than drugs gives us a 30% to 40% savings on most doctors; this is to entice the employees to use the network plan; the rates are different ; assesment is based on the 3 year contract; based on the 2000 premium. Hogan asked what was our percentage increase. Isler stated it is 24 percent. Hogan stated that he has seen 30 to 50 percent increases; not really all that bad.

RECOMMENDATION: 1st Reading; No need to come back; 2nd Reading; Consent

Fund Accounting

Isler stated that we have the requirement that the Water and Sewer fund must stay as separate proprietary funds; most of these charges were not specified; committed to within various ordinances; will sort out what goes where; this is not a rush item.

RECOMMENDATION: 1st Reading on October 15; No need to come back; 2nd Reading; Consent

Code Change, Chapter 161

Isler stated that because of reduced interest rates we will not be looking at the kind of interest we earned last year; not much you can do; article in paper discussing taxes; we are not in bad shape this year; this far the 2.8 percent increase is what makes that up; did very well at the beginning of the year; still getting from 2000 earnings; we are now at 93 of 95 percent of last year; keep that in mind; we are going to see maybe status quo not going to see increases; that is 59% of our revenue; going to have to look at that for appropriations; this should be in your code and not relying on an administrative role.

RECOMMENDATION: 1st Reading; No need to come back; 2nd Reading; Consent

ISSUES - From Director of Development:

Mill House Proposal

Development Director's presentation was not ready; will be brought back when prepared.

ISSUES - From Clerk of Council:

Supplemental - Legal Requirements

Sherwood stated that Charter requires advertisement of changes in the newspaper; Ohio Revised Code and Ohio Constitution also require it; will need \$3,700; just an estimate; it has to be in one paper for two weeks.

RECOMMENDATION: 1st Reading; No need to come back; 2nd Reading Consent

ADDITIONAL ISSUES:

Part-Time Officers

Deputy Chief Rinehart stated that we have just one officer deployed; 5 others are active reservists; we have 23 with military experience that potentially could be called. Angelou asked what is the salary arrangement for the officer that has been deployed. Deputy Chief Rinehart stated that we pay the difference of their current salary with their military salary. Angelou asked do we expect the 5 other officers to be deployed. Dep. Chief Rinehart stated that in my personal opinion yes; we need to move ahead.

RECOMMENDATION: 1st Reading; No need to come back; 2nd Reading; Consent

ORD-0199-2001

Sherwood stated that the RCA came down with just the salary; needed funds for PERS; this will be a substitute for 2nd Reading; Consent.

DISPATCHERS CONTRACT

Angelou stated that this just came in; passed one month ago; we have now got two MOUs on that contract; what is going on. Sherwood stated they are on the physical fitness payment and the possibility of a joint dispatching district; one looked to be signed the same day as the contract; we need some kind of tracking method. Mayor stated that MOUs are clarifications without Council approval; a contract modification; defeats the ability to make the minor changes. Weber stated that he is concerned with the ability to track some of these; know that it is a practice that is accepted; most times they don't even get attached to contract. Angelou stated that this has been brought up before; are they kept some place. Mayor stated that the union and attorney keep copies in both places. Sherwood stated that they are never given to our office to attach to the ordinance; we need to do at least a Motion Resolution to acknowledge that there is one. Angelou agreed that Council office should get a copy as a courtesy. Weber stated that it would be useful to have a tracking system such as a Motion Resolution to just confirm that there is attached memorandums.

Council agreed that future memorandums should be kept track of with Motion Resolutions.

HOLIDAY LIGHTS PARADE FLOAT

Council was polled to see which float they would like to have for the Gahanna Holiday

Lights Parade. The decision was made for float #12.

Stacey Bashore, Recording