MINUTES REGULAR COUNCIL MEETING
REYNOLDSBURG CITY COUNCIL
September 13, 2010

President of Council William L. Hills called the meeting to order at 7:30 p.m.

Members of Council present: Chris Long, Nathan Burd, Fred Deskins, Jr., Leslie Kelly, Doug Joseph, Mel Clemens, Barth R. Cotner.

The Invocation was given by Mr. Burd. Mr. Hills led the Pledge of Allegiance.

Minutes of the regular Council meeting held July 26, 2010 were approved without objection.

The agenda was approved.

Mr. Hills: Item No. 7 is Community Comments and Requests. We have two on the agenda and I do have a third speaker slip. We will start with Item 7a which is Patrick Losinski, Executive Director of the Columbus Metropolitan Library, to speak about the library tax levy; and you will note that we've had some material passed out by Mr. Losinski. Go right ahead, Sir.

Mr. Losinski: Thank you very much for the opportunity to speak to the Council. I am here tonight to talk about the Columbus Metropolitan Library's replacement levy, which is an expiration of the levy that was renewed in 2000. We're not here very often, so it's every ten years, so part of my charge is to make sure that I'm out to all of the communities that we serve and to all the school districts that we serve and others throughout. You'll notice on the back of the first color sheet, is a list of all of our locations, which includes the main library downtown and twenty branches located throughout the system. The top bookmark has a picture of our manager at the Reynoldsburg Branch, David Dennison, and I can tell you that Reynoldsburg is either our second or third busiest facility of all twenty-one. So it is a pretty important facility for us. The library, as a whole, remains a vital community institution. We have about 8,000,000 visitors per year. They check out 16,000,000 items per year, but in addition to that, those are some of the traditional measures of the library. The library has also evolved to stay with the times. We have homework help centers in nineteen of our twenty-one locations, which provide a space for children between 3:30 p.m and 7:30 p.m. Last year, we served 52,000 through the homework help centers. As the economy turned south in 2009, we turned those into job help centers during the day, helping people with technology training, with access to resume books, books on how to update and interview for positions, and we had 40,000 people who visited the job help centers. We have residents who, and users who do not live in a Blackberry or and I-Pad world. They rely on the library as their only point of access to technology. Last year we had 2,500,000 reservations to use computing time. These are folks who I think are either between jobs, or have a job or a home life that does not provide access to technology, and we think the library

is critical in terms of having them contribute to this digital economy. Like many institutions that are State-funded, we have had quite a reduction really over the last eight years since 2002, culminating in the last two, where we, in total budget, have experienced about a $11,000,000 reduction. The library has had to, has tried to respond with what we believe are some responsible cuts. We've cut 184 full time positions from the library, we've cut our materials budget, cut back on deferred maintenance, technology upgrades, and all the rest. All employees have taken, salaried employees have taken a 5% pay cut, and all hourly employees, a 10% cut. That resulted in a reduction of hours for the public and that has been very noticeable from the public as Sunday hours and others have gone away, about a 20% reduction in hours. This current levy is expiring. It is the only means of local support. We have not had an increase in twenty-four years. I think in normal situations, we would be looking at a 2.2 replacement, but the degree of the reductions that we've had from the State and what we believe is forthcoming with the next State biennium budget, you're all seeing the predictions of the $8,000,000,000 shortfall. We have moved to a 2.2 replacement with a .6 increase for a total of 2.8. That amounts to about $5.24 more per month on a $100,000 home. So that's the actual cost to the homeowner and we believe it's critical to the library's continued success in serving the needs of this community and really the overwhelming usage that we receive from the library. So with that, I will stop a moment to see if you have any questions about the material that has been passed out or any other questions regarding the Columbus Metropolitan Library and the Reynoldsburg Branch.

Mr. Hills: Questions or comments for Mr. Losinski? I know the library does provide a vital service and it is a heavily-used service. So I do appreciate, if there are no questions, I appreciate your coming out and keeping us informed.

Mr. Losinski: Thank you, and we'd appreciate your ability to share it with the residents of Reynoldsburg as well. Obviously, the library has a small budget to do this kind of thing so getting the word out is important. Thank you.

Mr. Hills: Moving to Item No. 7b is a SWACO Report and we have Mr. Albert Iosue and Lynda Sudderberg here tonight to give us, I believe, an overview. You would note that we've been receiving some SWACO information over the last couple months, I believe, and we do have in the information we've received, Mr. Iosue could have done a presentation, but we have those slides already. So we've got copies on paper of what it was. So go right ahead Mr. Iosue.

Mr. Iosue: Thank you President Hills, members of Council, Mayor McCloud. Thank you very much for providing me the opportunity to be here this evening. My name's Albert Iosue, I'm the Director of Planning and Programs for SWACO. I am here this evening because SWACO has a proposed rate increase that we are, the staff is proposing to our Board of Trustees. SWACO is one of 52 solid waste management districts in the state of Ohio. Our Solid Waste Management District incorporates Reynoldsburg and forty other communities in central Ohio. Any time SWACO proposes a change in our rates and charges, we come to the communities, we provide that information to you and we ask for your comments. We answer questions and we also ask each community as part

of our Solid Waste Rate Advisory Board to cast one vote either for or against this proposed rate increase. We already have provided you with information regarding our rate increase. SWACO staff has already met with the Mayor; Pam Boratyn, the Public Service Director; Dick Harris, the City Auditor; to provide them with information on several occasions and answer additional questions, and I'm sorry, also Councilman Clemens. We met with him also regarding our proposed rate increase. So I'm really here today to answer questions regarding the proposal, but if you'd like, President Harris, Hills, I'd be glad to spend just a moment and give you a brief overview of what the proposal is and what SWACO would be doing with the additional revenue generated by the rate increase.

Mr. Hills: If you don't mind, it would, because we have received some things in writing, but I think an overview would be helpful.

Mr. Iosue: Sure. SWACO is proposing a $3 per ton rate increase for any solid waste that is delivered to our facility beginning January 1, 2011. Right now the current gate rate, is $36.75 per ton so that rate increase would increase to $39.75 per ton beginning January 1st. In addition to that, on January 1st of 2012 we're also asking for an additional $3 per ton increase which would bring that total rate, gate rate to $42.75 beginning January 1st, 2012. SWACO is projecting about 900,000 tons per year and we're projecting it to decline over the years, but we're basing our budget numbers for the next couple years on 900,000 tons per year. The first year at $3 per ton, that 900,000 tons will generate about $2,700,000. Beginning the second year and every year thereafter, the additional revenue that will be generated by the rate increase will be $5,400,000. SWACO had identified three specific reasons or purposes that we will utilize that money for. The first is to rebuild the Morse Road Transfer Station, that transfer station is one part of the integral solid waste management system that we have. SWACO owns and operates the Franklin County Landfill down in Jackson Township and three other transfer stations located around Central Ohio that gets the trash from the streets to those transfer stations and down to the landfill. The Morse Road Transfer Station is in dire need of replacement. We have been spending money each year to band-aid that facility and we're approaching the point where it is not cost effective to continue to band-aid that facility. We can go out and build a brand new facility with an 18 year note for $8,500,000 for annual debt service payments of $650,000 per year. So $650,000 per year out of the $5,400,000 will be used for the Morse Road Transfer Station rebuild.

Secondly, the money will be used to start paying for, in cash, our short term capital equipment needs. In the past, SWACO has always taken our short term capital equipment, our backhoes, our bulldozers, our compactors, the very large machinery that we utilize at our landfill and our transfer stations and we have combined them into our long-term bond issuance. That is not the path that we would like to continue down. We need to turn our financial management strategy in a different direction. We are changing the ship at SWACO under new executive management that has been in place now for 2 ½ years and Lynda Sudderberg, our CFO, tells us that it is in our best interest to start paying in cash for those short-lived capital assets. It's not appropriate for us to be using long-term bonds for those short-term capital assets. We turn over and purchase about $3,500,000 worth of equipment each year to be able to provide the public utility service that we do to all the residents in

Central Ohio. So $3,500,000 of that rate increase will be used annually to purchase new equipment, and finally, about $1,250,000 will be utilized for us to continue to expand the Franklin County Landfill, additional cells, as the current cells are filled with trash and also to provide infrastructure improvements at that landfill that are necessary for us to continue to operate it efficiently and effectively. One of the first things we're looking at is building a new entrance road to our landfill located on the western side of our landfill because our landfill's about 350 acres in total size. We're currently operating on the eastern side of that site. We're going to flip over to the western side of that site, which is a very long distance away in the next two to four years and we'll have to have a new way to get trucks in and out of that facility for us to be able to provide an efficient service to all the trash providers in Central Ohio to get their waste in and out of the landfill efficiently. So those three items are a, add up to $5,400,000. That is specifically what we're going to be using the rate increase for. We're asking for your support here in Reynoldsburg for that rate increase. What the rate increase boils down to for your residents here in Reynoldsburg and for you, each residential household generates about one ton of trash per year. We are asking for a $3 per ton increase in the first year. That relates to a $3 increase per year for one residential household, about $.25 per month, for us to provide you with solid waste disposal services as we have over the last twenty years. Beginning in 2012, it will be an additional $3, an additional $.25 per household which will be $.50 per month moving forward beginning 2012. With that I would be glad to answer any questions regarding our rate increase. As I said, we have met with your Administrative staff and the Mayor on two different occasions and provided as much information as we could, but if you have additional questions, we will be more than happy to answer them at this time.

Mr. Hills: I have one question. When was the last rate increase?

Mr. Iosue: The last rate increase that we had was January 1st, 2009. That was a $2 per ton rate increase. That money was not specifically earmarked for operations of our facility. We have had some rate increases over the past ten years, $7 in total over the past 11 years.

Mr. Hills: Seven dollars over the last 11.....

Mr. Iosue: The last 11 years and we have determined, looking at our pro formas and our analyses that we should have been coming back to the communities a little more frequently or for a little bit more of an increase than we have in the past, because right now our annual debt service payments are $12,000,000 per year. On a $36,000,000 operation, that is $1 for every $3 that we take in at the landfill, we utilize for debt service payments and some of the reasons for that is because we have bond financed our capital equipment and other things we feel we should be paying for in cash.

Mr. Hills: Thank you. Any questions from anyone on Council? Administration, you're closer to this than we are, we've only seen some of the afterthoughts and summaries. Mayor, do you have anything you'd like to add?

Mayor McCloud: No.

Mr. Hills: Mrs. Boratyn, anything you'd like to add?

Safety/Service Director Boratyn: Just if there are any questions (inaudible) community meetings and I'll be reporting to you what additional information I have, but I've given you my memos and I'm waiting to hear more information to make a recommendation to you. Other than as to right now, I don't feel I have enough information to tell you.....

Mr. Hills: Okay, that's one of the community group meetings tomorrow?
Mrs. Boratyn: Well, tomorrow there's a Board Meeting of the SWACO Board.

Mr. Hills: But their Public Hearing is when? I should have.....October, right?

Mr. Iosue: President Hills, we have three Public Hearings that are for this rate increase. The first Public Hearing is tomorrow morning at 9:30 a.m. Those are open for anyone in the general public, but what occurred in the last week is SWACO received a letter from a law firm of Wiles, Boyle, Burkholder and Bringardner requesting us to get together with a certain group of communities to discuss our rate increase behind closed doors. Our Executive Director felt that was not appropriate, that we at SWACO want to be as transparent as possible, answer questions in a public forum and provide information for everyone, not just those sixteen communities but all forty-one of our communities in a public and open forum. So we wrote back to those sixteen communities and requested that they come to our Board of Trustees Meeting tomorrow afternoon which occurs once per month, tomorrow afternoon at 2:30 p.m. so that we can be able to listen to their questions and concerns they may have regarding our rate increase and specifically so that our Board of Trustees who will be the ones who vote on this rate increase whether they support it or not so they can hear the questions and concerns of the communities. So we've invited all sixteen communities that were represented in that letter to attend our Board of Trustees Meeting tomorrow at 2:30 p.m. So we have a Public Hearing at 9:30 a.m. and Board of Trustees Meeting at 2:30 p.m. with two additional Public Hearings next week Monday and next week Wednesday.

Mr. Hills: The vote is taken late September?

Mr. Iosue: To summarize that, yes, the vote for the Solid Waste Advisory Board and the Administration understands the Solid Waste Advisory Board, I won't go through all that, but each community has one vote on that Solid Waste Rate Advisory Board. Reynoldsburg has one vote. That vote is due on September 28th to SWACO at 2:00 p.m., at which point we will take the tally of those forty-one communities, we will add them up and provide a summary to our Board of Trustees on September 29th at their Board of Trustees Meeting at 2:30 p.m. At that time, our Board of Trustees will consider the input from the communities, from those Public Hearings and from the Solid Waste Rate Advisory Board vote and then they will either vote in favor of or against the proposed rate

increase by our staff.

Mr. Hills: Okay, I would probably think that you won't have the luck that Columbus City Council does if they've had what, fifteen non-unanimous votes since 2007?

Mr. Iosue: Yes. I'd just like to.....

Mr. Hills: Over 5,000 votes.

Mr. Hills: Auditor Harris, do you have any comments you'd like to make?

Mr. Harris: The Mayor and the Service Director and I have met after my meeting with Ms. Sudderberg and we had some frank discussions about this rate increase is actually over the four years. The $2 that was instituted last year and the $3 over the next two years, that's actually a 22% increase in SWACO's tonnage fee. Also they have $55,000,000 that they're paying debt service on that is from, to the City of Columbus for the trash burning power plant to rid them of that, which we felt that, you know, there was an issue with why the City of Reynoldsburg and the outlying communities would be paying for the debt from that. City of Columbus would seem to be the big winner in that deal, as with the Morse Road Transfer Station. They're by far the largest user of the Morse Road Transfer Station and there again, everybody in the county's going to be picking up the bill for that. So we do have some issues with that and I've certainly looked over their pro forma. They are going to have excess money on hand over the next 2-3 years, as much as $8,000,000. You always get concerned when you see somebody has $8,000,000 sitting in a fund, that people always find ways to spend those, and I do agree with them that they should not be using long-term debt money to pay for immediate obligations. So those were my particular concerns which I conveyed to the Mayor and the Service Director, but obviously it's outside my hands as to whether the rate increase does or doesn't happen.

Mr. Hills: But we as a city are attending the meetings that are going on and we'll act in the best interest of the city when the opportunity comes, so, okay.

Mrs. Boratyn: Okay.

Mr. Hills: All right?

Mr. Iosue: President Hills, if I may address....

Mr. Hills: Yes.

Mr. Iosue: ....a few of those questions and concerns.

Mr. Hills: Uh-huh.

Mr. Iosue: SWACO is fully aware that there is some animosity in the communities because of a lease agreement that was structured almost 20 years ago between the Solid Waste Authority of Central Ohio and the City of Columbus. When SWACO took over the operations of the Waste Energy Facility, the former trash burning power plant, SWACO also assumed the debt of that trash, some of the debt of that trash burning power plant and is obligated to pay that back as part of our lease agreement with Columbus. When the Solid Waste Authority of Central Ohio was formed, the first thing that was done was a study to determine solid waste generation disposal in Franklin County. It was determined that SWACO should own and/or operate all these solid waste systems in Central Ohio as an integrated solid waste management organization. So we lease the trash burning power plant and the transfer stations from the City of Columbus. We also purchased the land fills from Franklin County. So we do understand we are and have been paying for debt service payments for the trash burning power plant for the last 18 years I believe, almost 20 years and we have to continue to pay that debt through 2019. That is not something new, that is something that SWACO has been doing for a very long time. This rate increase will not be utilized to pay for any additional debt on that trash burning power plant nor will any of this money be utilized to subsidize Columbus or any of their other programs that they may want to implement in the future. As I said, there are three specific reasons what this money will be utilized for and only those three reasons, and SWACO can give you their word that we will not use it for other things outside of that scope.

Mr. Hills: Okay. That raise any questions from anybody? Yes, Councilperson Kelly.

Mrs. Kelly: The $2 rate increase from back in 2009, what was that used for?

Mr. Iosue: The $2 rate increase was utilized to fill a budget deficit for solid waste that was leaving SWACO's district. Under the previous administration at SWACO, there were waiver agreements that were signed with private waste haulers. They were five-year agreements and they were renewed for an additional five years. So they were ten years worth of waiver agreements as part of a settlement in Mid-American Waste lawsuit that SWACO had with Mid-American Waste. It allowed those private companies to take as much waste as they wanted to and allow it to leave our District. So as waste started to leave our district much quicker, we implemented a $2 per ton increase on our waiver fee. One significant note for that is that we, should that, we implemented that $2 increase not on our tipping fee at the landfill, which only waste that comes to our landfill would have had to pay, but we issued it on our waiver fee which is considered, any waste that is generated in our district, even if it leaves our district, we have the authority to implement that fee on that waste because we have flow control authority in our district to require all the waste to stay here. So even waste that private companies were collecting in our district and it was leaving our district, we will, we were able to generate that additional $2 per ton from waste leaving our district so that we wouldn't just put the waste responsibility on the communities where waste was only coming to our district and the private haulers were taking it outside our district, those haulers still had to pay the $2 per ton fee to SWACO so that we could continue to make our debt obligation payments as I said, $12,000,000 per year for

that, that we currently have.

Mr. Hills: Further questions?

Mr. Joseph: President Hills.

Mr. Hills: Yes, Sir.

Mr. Joseph: Yes, you might have mentioned it earlier, but what is your annual budget again?

Mr. Iosue: Our annual budget is $36,000,000 budget.

Mr. Joseph: Okay, what percentage would you say goes for like employee salaries, benefits and things like that?

Mr. Iosue: I would have to turn that over to Lynda, you want to come up here?

Mr. Joseph: I know you talked a lot about the increase is going to go basically, for facilities and equipment, things like that.
Mr. Iosue: Sure.

Mr. Joseph: I was just curious about your personnel end of it.

Mr. Iosue: If there's anything that we can't answer right here on the spot, we'll be glad to get it to you at a later time.

Mr. Joseph: Okay.

Ms. Sudderberg: It's about right now, about $8,000,000.....

Mr. Joseph: Okay.

Ms. Sudderberg: .....salaries and benefits, with everything included.

Mr. Joseph: Okay. Thanks.

Mr. Iosue: Mr. Joseph, to expand on that just a little bit, SWACO would not feel it is appropriate to come to all forty-one communities in our district if we haven't done everything that we can to reduce our costs and if you take a look in your PowerPoint presentation, when you get the opportunity, SWACO has reduced our staff in the last 2 ½ years by over 14%, we've changed some of our programs, we've cancelled some of our programs that were not cost effective, we have changed some

of the ways we operated the landfill. In 2008, we began operating the landfill ourselves to be able to save $750,000 to $1,000,000 per year over a contract with a private waste company to operate our landfill. So we've taken the last 2 ½ years under our new executive leadership Ron Mills to find opportunities at SWACO to reduce our cost and reduce our expenses.

Mr. Joseph: Okay.

Mr. Hills: Any other questions, comments? The only thing I'd note is having dealt as a city with Columbus before, sometimes a break even is a win from the city's side. So Columbus carries our _____. If nothing else, thank you both for coming out this evening; we appreciate that.

Mr. Iosue: Thank you very much for the time.

Mr. Hills: Next speaker slip I have is Mr. Norm Brusk.

Mr. Brusk: Thank you very much President Hills and members of Council. My name is Norman Brusk. I live at 1861 Crosswick Court in Reynoldsburg and I am also the Past President of the Slate Ridge Civic Association speaking both in my behalf and to some degree, to their behalf. I just wanted to make a few comments critical of the ordinances that you are planning on looking at today and hoping that you consider it very thoroughly and hopefully decide maybe this isn't quite the right time or right place to do that.

I looked at the ordinances, I saw the original, thought it had some great merit to give the Police additional tools that they had asked for. The original ordinance had most of everything that they had wanted whether there could be minor changes in it or not is not the issue, but the issue is, what we have here, is a bait and switch. We've got an ordinance now that doesn't do anything to really resolve the problem. It looks like it's going to resolve the problem but it's not going to go after them. It's going to handcuff the Police because it's going to require too much information for them to have to get, too much information for the schools to get, they'll be too hard to obtain and it won't necessarily get the information that we need from others.

Secondly, because it's very, very restrictive, because it only considers some suspension and expulsion students, it won't stop the children who are out of school because of skipping for the day or skipping the class and that's where a majority of the skipping occurs. I think Ms. Kelly can attest to that fact. It will be extremely difficult, if not impossible, to coordinate with other districts. We've got to coordinate with Columbus, with Gahanna, with whatever districts, about these outsiders. What I see here is something that looks like a feel-good legislation; you guys can pat yourself on the back and say 'hey, we did something'; but the problem is, the ordinances should be effective and do what we wanted it to do, what the purpose was. Can the Police stop the children now? Yes, with or without this ordinance; that's not the issue. The issue is what do you do with kids that don't belong out there, and this won't stop that. So, at any rate, I think that the ordinances that we should have need to be effective. This doesn't appear to be the case. Thank you very much for your time.

Mr. Hills: Mr. Brusk this will be just up for first reading tonight and be returned to committee. So there's certainly.....

Mr. Brusk: Oh it will? I was under the impression that it was going to be voted on.

Mr. Hills: No, it's, it will be a surprise to me, but I've been surprised before, but I don't know, no, it's first reading and will be going back to Committee, and that means next Monday night there'll be open discussion certainly. I do thank you for your comments.

Mr. Brusk: Thank you very much, and I'm glad to hear that, because that gives more time for Council members to think their position and see if I might have a little merit in what I'm saying, and I think I do, but that's me.

Communications: Clerk read two reports from Clerk of Court - total monies collected from courts held during the month of July 2010 - $39,798. Monies also collected during that period pursuant to Ordinance Numbers 146-94 and 104-02- - - $3,309 for the Computerization Needs Fund; and $125 for the Enforcement and Education Fund;

Total monies collected from courts held during the month of August 2010 - $45,656. Monies also collected during that period pursuant to Ordinance Numbers 146-94 and 104-02- - - $3,796 for the Computerization Needs Fund; and $100 for the Enforcement and Education Fund.

AN ORDINANCE TO AMEND THE REYNOLDSBURG CODE OF ORDINANCES AND ESTABLISHING A DAYTIME CURFEW FOR MINORS BETWEEN AND INCLUDING THE AGES OF SIX AND SEVENTEEN WHILE UNDER SUSPENSION OR EXPULSION FROM SCHOOL- - -Clerk read ordinance by title for the first reading. Item referred to Safety Committee.

AN ORDINANCE TO AMEND THE REYNOLDSBURG CODE OF ORDINANCES AND ESTABLISHING PARENTAL OR GUARDIAN RESPONSIBILITY FOR A CHILD WHO IS CURRENTLY UNDER DAYTIME CURFEW WHILE UNDER SUSPENSION OR EXPULSION FROM SCHOOL- - -Clerk read ordinance by title for the first reading. Item referred to Safety Committee.

Meeting adjourned at 8:00 p.m.

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William L. Hills, President of Council

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Nancy C. Frazier, Clerk of Council