

until this year, we are down \$200,000 currently. That was one of Mr. Tilton's concerns, were we borrowing enough or we going to drain the water fund down to where we weren't going to be able to function. We are looking at more in the realm of \$200,000 to \$300,000 over 2010/2011, we can come up with. We are targeting \$200,000 just to be safe, Paul's going to try to skimp and put every nickel we can into the project and just minimize our other expenditures for those two years. However, when we look at that (we received a handout) – Mr. Raines put together three scenarios for us – I don't think there was ever a doubt to construct a water plant in the order of \$16,000,000 to \$17,000,000 that there was to require a rate increase in some point in time. I had intended to hold off on any additional rate increases for a two year period after I discussed that with Mr. Hennessey during the last sewer rate increase. When you look at this with the construction only and this is without any inspection or admin. services included – will give you an annual debt service and an estimated rate increase. All O.W.D.A. Loans include a 5% contingency just in case there are over runs or continuations on a project. If we were to have to use that 5% contingency – that rate increase would be 19.47% at that time. With the scenario that I am imposing with this ordinance 09-98, we were asking to borrow \$850,000 additional over what we thought we could come up with. That was with what I previously mentioned coming up with \$450,000 each year out of 2010/2011. If we are able to pull that off, we are looking at an estimated rate increase of 20.84%. Same scenario if we have to use the 5% contingency. The reason I made this a separate ordinance, I was going to try to combine the whole contract and the loan into one ordinance but since I hadn't had a chance to discuss this with Council, again, I put into two ordinances – one to just get us going which we really need to do. This one if we need to have another short work session or something, I can hold off one more meeting and still be able to get the loan application in, in time for the December 12th meeting. I have to have it to them by November 25th. If we were to decide to borrow more money than I was projecting, that we are short, we would be looking at borrowing \$1, 250,000 which would give us an estimated rate increase of 22.05%. If we borrow the 1.2 million, we are going to pay more interest but we can defer the rate increase until November of 2010 which is closer to the two year time frame that I was hoping I could hold to. The actual plant loan is 20 years; Dale will have to let me know whether it will be a five (5) or ten (10) year loan for this 1.9 million. This is lumping everything together; the inspection charges as well as the plant.

Mr. Raines - These numbers assume the ten (10) year loan for the inspection and construction. The construction of the plant will be a twenty (20) year loan.

Mr. Tilton – So, what you are saying, we need to amend this ordinance to 1.25?

Mr. Sims – I guess, I am asking for Council's pleasure on this – would you rather borrow more money and defer the rate increase or would you whether have me implement the rate increase in April, rather than November?

Mr. Hennessey – I know what I would like to see – for one I would like to take this off that it should not go as an emergency, tonight. I would ask Council to consider that. If that the case, I would say it needs to go to Ways and Means directly and sit down and hash this out in a Ways and Means Committee and then go from there. That's my personal opinion.

Mr. Sims – That is why I put it in a separate ordinance. Having the other one passed, will at least give allow me to give a notice to proceed with the contractor and fund our inspection component through the end of this year which will get the basis of why it is an emergency is because we need to relocate several hundred feet of Buckeye Drive. They have 30 days to do that before the asphalt plants close; that will allow us to get the intermediate course of asphalt down and then reopen Buckeye Drive for the rest of the winter. I can defer this ordinance for Ways and Means to see what pleasure of Council may be. A 22% increase, just to let you know what that means in an average; we took an average bill, an average use in water consumption is around 1,400 cu. ft. bi-monthly. That would result in an \$8.23 bi-monthly increase which is \$4.11 a month.

Mr. Zakany – Haven't these automatic water meters saved the City some money?

Mr. Sims – They are more accurate but looking at the loss of revenues I can't say what constituted that other than the economy. I have talked to the billing office and we have had 93 fewer billings going out, each cycle in recent months; probably do to foreclosures, I would imagine. We have lost some residential customers, we have also lost Lear that closed in June. When you look at receipts from September 08 until September 09, we're down \$200,000.

Mr. Tilton withdrew his motion to waive the readings, Mr. Zakany withdrew his second.

Mr. Tilton moved for first reading, seconded by Mr. Zakany.

Mr. Vincent – Mr. Raines, of the debt we retired, we are looking to use money for Secret and some of these other projects; that could be used towards this?

Mr. Raines – That could be used towards this but typically the City does not use General Fund money or Income Tax money to fund the Water and Sewer Department. There is no law prohibiting to do so.

Mr. Kilpatrick – Is there any doubt in your mind as to whether or not we would be approved for either amounts by the O.W.D.A.?

Mr. Sims – I don't think there is any problem at all; they just told me I needed to beat that deadline for the December 12th meeting. I have already had communications with them regarding this application. We have good standing with them; we should still be qualified for a percent discount for being a return customer and also a percent discount because of the need for the improvement to the plant. Dale did base these percentages off the current percentage rate of 3.48 %, that's after our discounts. I don't fore see any issues in borrowing the money.

Mr. Zakany - What is the basic senior citizens water – say they are not using enough volume.

Mr. Sims – There are no senior discounts on the water, only on sanitation.

Mr. Zakany – What if they don't use

Mr. Sims – There is a minimum bill and that is up to 400 cu. ft. which is \$10.00. That is if you didn't use any, you would get billed that as a minimum.

Things we thought about which might be topics for Ways and Means would be – one thing we never looked at on sewer, commercial rates are different than residential rates. But on water there really is no difference, so we pondered maybe we should change the commercial structure for water. There are also some things we could do with the minimum; there is no minimum on sewer, it is simply a rate per cubic foot.

Mr. Dittmar – If we end up doing an increase, do you see no increases for quite a while after that?

Mr. Sims – I tried to promise Mr. Hennessey, I would go two years without raising rates after the last sewer rate increase, if we could have worked it out with the money I thought we could come up with, we could have put it off till November or December or the first of 2011, which would have been pretty close to meeting my goal. Looking at the shortfall with revenues, if it continues on a downslide, I guess I can't really give you an honest answer there. If the economy falters and we don't get any increased revenues, we may have to just keep functioning. I am hoping that the two year period the plant is under construction, this will cover that.

Motion carried.

Mr. Hennessey – Mr. Tarbert, you will have to get your group together for Ways and Means and come back to us for the next meeting.

Ordinance No. 09-99 – Introduced by Council – An ordinance authorizing the proper City official to advertise for bids and enter into a professional contract for providing portable toilets in various City parks.

Mr. Tilton moved for first reading, seconded by Mr. Zakany.

Mr. Vincent – How many of these do we provide a year?

Mr. Sims – I can't tell you the number – there's 40 or 50 or more.

Mr. Vincent – Is it year round?

Mr. Sims – Yes, the contract expires in January.

Mr. Vincent – During the winter season is there any chance of cutting some of those back, to save money?

Mr. Sims – We probably could or just delay the onset of the contract because they aren't used much in January and February. We could amend it at any time before it goes out to bid, to reduce numbers.

Mr. Vincent – I thought during the winter months and the parks are hardly used.

Mr. Sims – Maybe we could get along with the bare minimum.

Motion carried.

Ordinance No. 09-100 – Introduced by Council – An ordinance authorizing the proper City official to enter into a contract for the purchase of vehicles for the Department of Public Service by competitive bid or State Purchase Agreement, and declaring an emergency.

Mr. Zakany moved to waive the three readings, seconded by Mrs. Gentry.

R.C. to waive
8 Ayes – 0 Nays

Motion carried

Mr. Tilton moved for passage, seconded by Mr. Zakany.

Mr. Vincent – Under the Sanitation Division the estimated cost of \$135,000 is that with a trade in or without?

Mr. Sims – I think what Russ is looking at is to try to see what the best trade in value would be and if it isn't what he believes it would be worth, then we would try to sell it outright.

Mr. Mc Peek – When was the last time we replaced one of our sanitation trucks?

Mr. Raines – Maybe two or three years; it takes two years for that fund to build up enough money to buy a truck

Mr. Mc Peek – The Wastewater Treatment – the 20 ton dump truck, what is that used for?

Mr. Sims – Right now, we are using an old roll back which is really meant as a sanitation type truck to haul sludge to the landfill and we will continue to have to haul sludge to the landfill; the microwave has its ups and downs, we just now experienced a burn out in a control panel, it has to be sent back to the manufacturer. We had some issues with the screed system that needs some improvement. I spent a few months with a consultant to go over bio-solids handling at the plant to see what's the most efficient method of ridding ourselves of this sludge because, we have taken on a tremendous amount of sludge since this plant has been upgraded. Not just what is being generated by our own customers and

the county customers; we are also taking Zemba Brothers, brings all of their septic to us from the private hauling septic tank cleaning. We are contracted to take Mc Connelsville, Wastewater Treatment Plant sludge, recommendation from EPA. We take Dresden, Duncan Falls, Muskingum College, Dillon and Blue Rock State Parks, Guernsey County, plus we take all of that additional sludge now. We are bringing in approximately \$133,000 a year for that and the planning that we went through looking at, what is the cheapest alternative to ridding ourselves of this sludge; I was given six alternatives. Recommended alternative one was taking dewatered sludge to the landfill and utilize the microwave itself the sludge to a farmer or someone that's interested such as bio-grow. If we were to take everything through the microwave but with the additional sludge that we are bringing in now, we couldn't do it if we wanted to. What would be \$185,682 a year; between dewatered sludge to the landfill and utilizing the microwave, we are at \$187,000. It is the most efficient means, it is not the most cost effective but to retrofit the microwave these volumes that we weren't anticipating when we designed this, it would take probably close to \$200,000 to upgrade it. We are looking at about \$50,000 to upgrade the feed system. The feed system from the original one we received doesn't screed the sludge evenly, so the microwave burns some, it doesn't get some dry enough it doesn't kill the pathogens and if there are bare spots on the belt, it burns holes in the belt. So, since we put this in, they have come up with an alternate design that more evenly screed the sludge across the belt as it goes into the microwave. There is a problem with the manufacture, right now, I think they are having some financial difficulties, so we're trying to wait until market stabilizes and we can find another manufacture to get this thing retrofitted and a more cost effective amount. Right now they are looking at nearly \$80,000 to provide us a feed system. The panel, we burnt up is going to be about \$5,000 or \$6,000 to replace it. When things like that happen the plant still generates sludge. Right now the landfill costs are pretty reasonable, compared to the electricity cost of running the microwave. That's why I hired Wilbur Smith to do this analysis for me, they looked at the cost of electricity – every time we turn that microwave on you have a \$4,000 bill instantly. If you only run it two hours, you're paying the \$4,000 plus the regular operating time, but if you run it 40 hours a week, it starts becoming cheaper and cheaper. Until we get this dialed in an where it gets truly functional it's not the most efficient thing to use.

Mr. Hennessey – That's a lot for one answer.

Mr. Sims - I am trying to give you the back ground for why we need the truck. We can generate and move almost 20 tons a day. With the truck we have, we are lucky to get eight or ten tons on with the roll back, we can put 13 on it but it is a 1985 truck and it is not very safe.

Mr. Hennessey – But we shouldn't have to be doing this, should we?

Mr. Sims – We are always going to generate sludge.

Mr. Hennessey – I understand that but we just did this large upgrade and you are telling me, we've got problems.

Mr. Sims – You take away all this stuff that we have been recommended by the EPA to contract and take care of these other community's, then we might be close. The bottom line is, we bring enough in from these people to pay for the landfill cost.

Mr. Mc Peek – Apparently, the EPA recommended we take this stuff from people, that recommendation was made upon us installing the microwave oven, is that what brought this all on?

Mr. Sims – The upgrade itself, the ability to handle more through the plant. They are just saying Zanesville is the regional plant, Newark gets the same thing but from more the western and northern cities.

Mr. Mc Peek – We set a rate, to these customers, based on what?

Mr. Sims – It was so many cents a gallon about three years ago; it's probably time to look at raising that one a couple of cents. Three cents a gallon would make a big difference to us and none of these customers would probably blink an eye. However, I am not happy with the microwave myself, it needs some work.

Mr. Hennessey – Is there anything, that we can get out of this from warranty work?

Mr. Sims – No, it was under warranty for a year.

Mr. Hennessey – Even if it is faulty?

Mr. Sims – Unless you want to go into some lengthy law suit.

Mr. Mc Peek – We can't sell the dry cake to anybody?

Mr. Sims – We can't generate enough efficiently to enter into a contract with anyone.

Mr. Mc Peek – We have had a feed problem with this since it was new. Some where in the design process

Mr. Sims – Remember, it was the first one built, they now have one in Urbana and they have developed this alternate feed system since.

Mr. Hennessey – Is there further discussion on the truck at this time?

Mr. Mc Peek – It explains why we need a 20 ton dump truck for the sanitation department.

R.C. for passage
8 Ayes – 0 Nays

Motion carried

ORDINANCES FOR ACTION

Ordinance No. 09-95 – Introduced by Council – An ordinance authorizing the establishment of a Housing Revolving Loan Fund administration agreement.

Mr. Vincent moved for second reading, seconded by Mr. Mc Peek. Motion carried.

Mr. Tilton moved to replace Ordinance 09-66-amended with the new 09-66 (A), seconded by Mr. Zakany. Mr. Vincent – Nay - Motion carried.

Ordinance No. 09-66-amended-amended – Introduced by Council – Authorizing the proper City official to expend funds on improvements to Gant Municipal Stadium, to seek bids and enter into contracts where required.

Mr. Tarbert moved for third reading and passage, seconded by Mr. Zakany.

Petition from: Randy Case, 916 Vine Street, Zanesville

Mr. Case – Curious as to why-----

Mayor Zwelling – Council, at one time, I thought was ready to pass this. Mr. Case spoke saying, why would you pass it until you see if there is stimulus money or not. So, we had applied for the stimulus money; 98% of that money in Ohio is for cities 50,000 and over; 2% is for cities under 50,000. We are only eligible for the 2% and we are one of 68 cities and 20 some counties. I have never thought, we were going to get this but just in case we do, I had Dale prepare an amendment in Section Two: The proper City official shall not proceed with said project until receiving notification from the Ohio Department of Development that the City has or has not been awarded an Energy Efficiency Conservation Block Grant for said project. I am assuming Council was ready to pass it that night then waited to see - if they pass this, as amended, then when the waiting time would be up as soon as we were notified whether we got the loan or not, we can proceed

either with stimulus money or the long term money. Mr. Wolfe is here to talk about this and we would like to have this up and running by baseball season, next spring. We thought we were going to be notified Friday, that's the information we had. Now we were notified that they have until November 30th to make application for this. It will probably be a month after that before we find out and if it is that long, I would like to spring into action the day we know. That is why we had it amended.

Mr. Hennessey – That is why we don't have the emergency clause, you just want it to go normal legislation.

Mr. Case: When you look at it, we had Secrest and the Skateboard Park; we didn't have the money for the Skateboard Park. Now, you are all for the lights in bad shape there. The problem is, the economy is still in the hole; the City is in the hole. I can't see us taking on more debt when we are already taking on a debt for the Water Plant and you want to take on a debt for lights for a small group. Right now the citizens can't afford it.

Mr. Tarbert – I don't know that I completely disagree with you but your last statement there is why I think we should vote for this. This is one of those things that we have to pay for that needs to be maintained where those lights are going to fall down. We don't have anybody that will go up there and replace these lights; this is a maintenance issue. This is not the concession stand, which would be nice to have; this is not the restrooms which would be nice to have. This to me is a necessity to maintain the lights in that park.

Mr. Case – The solution for it, take lights down and have day time games.

Mr. Tarbert – Then you loose the integrity of that park and one of the business generators of that park is the fact that we can have and host overnight games in that facility.

Petition from: Bob Wolfe, 331 Parkway Drive, Zanesville

Mr. Wolfe – I am not going to go into great detail as to why we need it. They are getting very difficult to repair to make them work. Also, an answer to Mr. Case, the Muskingum Valley Old-Timer's have been in business since 1954 and we have all different kind of projects that we have to raise in excess of \$150,000 a year to operate Gant Municipal Stadium. The Old-Timer's spend \$30,000 to \$40,000 to do maintenance work during the season and even right now we are still maintaining it. Our books are open to see how much money, we make. I am happy to announce that the way the economy is, we are going to end up in the black for the first time in four years by \$1,000 to \$2,000 and that is better than last year when we were in the hole. It is just a bunch of individuals working hard to give kids a chance to play baseball. We had over 600 students along with adults. I think that the fact that the Mayor is going to wait till either some grant money is approved or not approved; we need to work on this as early in 2010, we can have lights up.

Mr. Tarbert – I have a question for Mr. Sims, when these came out months ago, when they were all still combined; one of my questions was, if we would pass this ordinance tonight, does that hurt us with the grant committee. Do they say – well they must not need the money because they are going to do it whether or not they get our money. I know that one of the answers to one of these ordinances months ago was, yes, it could hurt our chances of getting that grant because they see we are going to do it anyway. So, why give this community the money if they have the money in place to do that project, which is why I thought we were waiting to find out whether or not we got the grant so, that it wouldn't hurt our chances of getting that grant. I am pretty sure it was this one.

Mr. Sims – I don't think it could have been this one because this one is such a remote application, I can't even call anybody about this grant.

Mr. Tarbert – You know grant writing, would that hurt our chances of receiving this grant if they know we've got money in place to do this project?

Mr. Sims – I think that could always hurt your chances if the lending granting entity felt you had money and didn't need it as bad as another community, no matter what the

project was. The only response I can get, I tag on the web site that says updates – they won't even let you respond to the update.

Mr. Tarbert – I think I heard in there somewhere, this could hurt our chances of getting this grant if we passed this ordinance. I am in favor of this ordinance; I am in favor of these lights. However, I think it is dumb to do it now if it could possibly hurt our chances of getting this free money; that is why I was in favor of waiting. If we don't get it, I am still in favor of these lights but I don't want to hurt our chances of getting this free money.

Mayor – I think, we determined that if we passed the ordinance that night, then we would have gone forward with the project; there's no chance of getting stimulus money after we passed the ordinance. Here, we are waiting to see if we get stimulus money.

Mr. Sims – The one I remember, Mr. Tarbert was the skate park because I think there was a question asked by Nature Works that if we did not get a grant, would we continue with the project anyway; my response was, no we didn't have the additional match. This is coming through Energy Efficiency Conservation Block Grant through Ohio Department of Development. I have had no contact by phone or personally with anyone on this. I don't know that they would even know that this legislation was going through. The grant that we are putting in for and the sector that we are included in says there is no local match required. Does that mean we will get 100%, it doesn't really say that; it just says no local match required.

Mr. Tarbert – When would we realistically be starting this project, anyway. Could you do this work in December or January? When are the first night ballgames?

Mr. Wolfe – It would be in April.

Mr. Tarbert – How long does it take to do this project?

Mayor – It didn't take them very long with Sulzberger; they have to have good weather.

Mr. Tarbert – My question, if we don't pass this until December, does that still give us time to get the lights up before April.

Mr. Sims – It's not very long to get them up.

Mr. Tilton – When we replace these lights; the lights up there were for baseball and football? Will these lights cover both the baseball and football part of the stadium?

Mr. Wolfe – There are lights that are going to be left on two of the towers, till they find out if some change is made and there could be some football there.

Mr. Tilton – So, we are actually leaving two of the old towers up with the lights?

Mr. Wolfe – Yes, that would take care of the football.

Mr. Tilton – How will they be maintained?

Mr. Wolfe – Those two poles, we never have any trouble with. Most of the ones we have trouble with are on the first base side and down to the right field.

Mr. Vincent – I thought we were looking with the Company that would set the best lighting for the field for baseball was going to take out of play as far as using the field for football or soccer.

Mayor – No, it would be behind the track for the left field lighting; it won't be on the football surface. The City was going to disassemble the towers one at a time and we would not disassemble the two that Mr. Wolfe was talking about, just in case football comes back. As Mr. Wolfe said, those are two healthy towers.

Mr. Zakany – How old are those lights?

Mr. Wolfe – The poles are the oldest, they were put up in 1940, when the stadium was built; they are close to 70 years old. We started this project in 1993 and we raised \$300,000 to refurbish the stadium, along with the help of the City.

Mr. Dittmar – You mentioned that you raised \$300,000 in 1993; have you discussed possibly the organization raising money either to help this or to help with a new concession stand or the restrooms.

Mr. Wolfe – The most urgent thing that we need right now is playing baseball.

Mr. Tarbert moved to table until December 28th, seconded by Mr. Vincent.

R.C. to table

8 Ayes – 0 Nays

Motion carried

PRIVATE PETITIONS AND COMMUNICATIONS

Petition from: Meg Deedrick, 712 Lenox Avenue/526 Putnam Avenue, Zanesville

Ms. Deedrick – I am the Executive Director of United Way. I want to thank several of you who have participated in the campaign. It is still not too late to participate if you haven't had the opportunity to do so. The reason I am here tonight is to provide you with an update on several initiatives recently launched by the United Way. I would like to talk about services of 211, the Social Services Hotline, since June of this year. Since we have launched it we have received over 3,000 calls. I will provide information on the top 10 major needs from people for information and referral. The most common is utility and income assistance and also, Government Services. Something that is not mentioned is the weather related calls because we are a source of information regarding natural disaster and inclement weather; road closures, school closures, etc. The second issue is the Financial Stability Partnership helps hard working families to achieve financial stability and take steps towards long term independence. We do this through Free Tax Preparation Assistance, Financial Literacy Classes, Foreclosure Prevention Resources, and Prescription Drug Discount Program. The Prescription Drug Discount card is now available to any resident of Muskingum, Perry, and Morgan County. It provides up to a 30% discount on that patient; if that patient is not covered by insurance or do not have prescription coverage. All you do is dial 211.

MISCELLANEOUS AND UNFINISHED BUSINESS

Mayor Zwelling – First I would like for the Community Development Director to tell about the condemnation for the demos that we have had this summer and what's in the future.

Mrs. Clapper – We have extended those funds and we have been able to demolish nine (9) properties with those funds. So far this year we have demolished 11 condemned properties. We have seven (7) more that are in the process of being updated for asbestos; with an additional eight (8) that are under asbestos survey. There are additional properties beyond that, that are being requested for approval by the Ohio Historic Preservation Office for demolition.

Mayor – The Osmond Brothers Concert was Sunday afternoon by the Concert Association; it was very well attended.

The committee conducted interviews and Dave Markley is the new superintendent at the Wastewater Treatment Plant. He was the deputy superintendent.

Avon has hired 400 people this far and they tell me they will have 550 hired by May, plus 150 seasonals.

Time Warner has hired 170 people since the beginning of the year and they have a lot of turn over. They have some plans for expansion; bringing other services to Zanesville.

The Seborn Avenue folks that had the 11 day outage last year because the water line broke and affected the gas line; Columbia Gas had a \$400,000 upgrade of the lines and services into all the houses. They had a public meeting last week; all the Columbia Gas people were there to answer questions, it is going to be an improvement and they are making sure these people have the best possible service.

Bosco and Patrolman Schiele will be honored at the Zanesville Blue Devils Football game, in a pre-game ceremony this Friday night. The dog is walking; he appeared at the Quarterback Club, today. He won't have his old job back but he is going to be a public relations dog.

Granville has a deer ordinance and Newark is in the process of passing one which would allow bow hunting for one week if people pass a safety test. Mr. Brandford is getting copies of those ordinances to see what Council thinks about them.

Mr. Tilton moved to adjourn, seconded by Mr. Zakany. Motion carried.

Meeting adjourned at 8:10 p.m.