

CITY OF GROVE CITY, OHIO

COUNCIL MINUTES

March 21, 2011

Regular Meeting

The regular meeting of Council was called to order by President Berry at 7:00 p.m. in the Council Chamber, City Hall, 4035 Broadway.

After a moment of silent prayer and the Pledge of Allegiance, roll was called and the following members were present:

Greg Grinch Maria Klemack-McGraw Ted Berry Steve Bennett Melissa Albright

1. Ms. Klemack-McGraw moved to dispense with the reading of the minutes from the previous meeting and approve as written; seconded by Mr. Bennett.

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| Mr. Grinch | Yes |
| Ms. Klemack-McGraw | Yes |
| Mr. Berry | Yes |
| Mr. Bennett | Yes |
| Ms. Albright | Yes |

2. Mayor Stage presented Dr. Wise, Superintendent of South-Western City Schools, with a check for \$1,538,917.00 from the sharing of revenue Agreement on the Buckeye Parkway Center. Dr. Wise said this is a great example what can happen when agencies partner. Mayor Stage said there were two other checks presented for the I-71/SR665 Industrial Park tax abatement in the amount of \$100,000.00 and for the Bacou Dalouz foreign trade agreement in the amount of \$24,000.00.

3. Chair read the agenda items and they were approved by unanimous consent.

The Chair recognized Mr. Bennett, Chairman of Finance, for discussion and voting under said Committee.

1. Ordinance C-09-11 (Appropriate \$3,000,000.00 from the Capital Improvement Fund for the Current Expense of Phase 3 of the I-71/SR665 Improvements) was given its first reading. Second reading and public hearing will be held on 4/4/11.
2. Ordinance C-10-11 (Appropriate \$27,617.52 from the Rockford Tax Increment Equivalent Fund for the Current Expense of Making Payments in accordance with the Infrastructure Agreement with Rockford Homes) was given its first reading. Second reading and public hearing will be held on 4/4/11.
3. Resolution CR-07-11 (Amend Resolution CR-54-02 to update the Audit Committee) was given its reading and public hearing.

Mr. Bennett noted that this version reflects the amendments made at the last meeting.

Mayor Stage said he has done a case study on the audit committee. He reviewed the 2006 auditor's management letter to the city; the response from the city administrator, and the evaluation done by a special audit company. He said all this information was supplied to the audit committee. There were significant deficiencies. He said that was a material weakness. He said the report to the Audit Committee and Council said that the reconciling issues were corrected upon the appointment of Shonehart & Associates. He said who would have ever believed that those corrections were not made. In addition, Rae & Associates was hired to perform an audit, and their report stipulates that they could

find no wrong doing within the time period reviewed. He said it is important to note that in 2006, the City paid over \$200,000.00 in penalties and interest to the IRS. He said his point is, the reason he wanted the Whereas statement was to say to the public that even though we get all this information and have an audit committee, it does not assure us that there aren't problems. He said the Resolution is fine, but his point is we still cannot be 100% assured, after having a State Audit, Shonehart, Rae & Associates, and paying IRS penalties and fees. He endorsed the Resolution as presented.

Ms. Albright stated that she is looking at the audit committee in a different perspective. She asked the Finance Director if we had to use the State Auditor's office and he said yes. She said she feels that the State Audits are meaningless at this point in time. They have given somewhat erroneous information. She thinks the audit committee should be looked at totally differently by hiring a different auditor to look at what we really need to look at. She feels it is premature to be passing this resolution at this time. Mr. Berry noted that the changes in this resolution would allow the audit committee to do what she suggests – and suggest hiring an outside auditor, if necessary.

Mr. Grinch said he thinks its fine to make some changes, but these are volunteers. However, we paid Rhea and Associates and they couldn't find the problem. Also, he said there is an investigation still going on and he has a bit of a problem passing resolutions to help solve something when we don't have a report yet.

Mr. Bennett said Rae & Associates did a partial forensic audit. He said you have to look at the Engagement letter and see what the parameters are. He said Mr. Turner has indicated that new software for the Finance Dept. has been purchased to assist with daily functions. He said there is no record for the audit committee meetings or minutes for those meetings. This committee is under the auspices of the Administration. He agreed with the administrative recommendation for a 30 day time limit for the audit committee to report. He said he believes this resolution gives the audit committee a little more direction and more understanding of what is expected. Mayor Stage said if Mr. Bennett has something that says the audit provided is different from the Engagement Letter, he would like to see it.

There being no additional questions or comments Mr. Bennett moved it be approved; seconded by Ms. Klemack-McGraw.

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| Ms. Klemack-McGraw | Yes |
| Mr. Berry | Yes |
| Mr. Bennett | Yes |
| Ms. Albright | No |
| Mr. Grinch | No |

4. Resolution CR-09-11 (Authorizing a Then and Now Certificate for the Payment of \$9,919.60 for the 2011 Auditor of State Special Investigation) was given its reading and public hearing.

Mr. Turner, Dir. of Finance, explained that a purchase order was not in place prior to receiving a billing statement from the State Auditor's for their Special Investigation. He said the total is about \$54,800.00 and we received the first bill. This is a housekeeping measure.

Mr. Dick Rutherford, resident, commented that we have paid all this money to do audits, but he questions what responsibility those audit companies for recovery on moneys lost. He thinks they should be held accountable too. Mr. Bennett said there is an engagement letter that outlines the scope of work to be done and it also notes that the audit is only as good as the information given to them.

There being no additional questions or comments, Mr. Bennett moved it be approved; seconded by Ms. Albright.

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| Mr. Berry | Yes |
| Mr. Bennett | Yes |
| Ms. Albright | Yes |
| Mr. Grinch | Yes |
| Ms. Klemack-McGraw | Yes |

- 5. Resolution CR-10-11 (Waive the Provisions of Section 133.05 of the Codified Ordinances for the Sale of Personal Property) was given its reading and public hearing.

Mr. Honsey, City Admin., explained that as part of the Officer’s contract, retirees can purchase their service revolver for \$1.00. The Chief is not covered under that contract, so this Resolution will allow the Chief of Police to do the same upon his retirement.

There being no additional questions or comments, Mr. Bennett moved it be approved; seconded by Mr. Grinch.

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| Mr. Bennett | Yes |
| Ms. Albright | Yes |
| Mr. Grinch | Yes |
| Ms. Klemack-McGraw | Yes |
| Mr. Berry | Yes |

- 6. Resolution CR-11-11 (Offer Service Credit Purchase through Payroll Deduction for Participating Employees of the Division of Police who are members of the Ohio Police and Fire Pension Fund and members of the Bargaining Unit) was given its reading and public hearing.

Mr. Smith, Dir. of Law, explained that an Officer wishes to purchase military time through payroll deduction and that process requires this resolution. He said there is no cost to the City. It is the employee’s money going through our system.

There being no additional questions or comments, Mr. Bennett moved it be approved; seconded by Ms. Klemack-McGraw.

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| Ms. Albright | Yes |
| Mr. Grinch | Yes |
| Ms. Klemack-McGraw | Yes |
| Mr. Berry | Yes |
| Mr. Bennett | Yes |

The Chair recognized Ms. Albright, Chairman of Safety, for discussion and voting under said Committee.

- 1. Ordinance C-11-11 (Authorize the Charitable Solicitations Board to Issue a Permit to the Knights of Columbus per Section 371.06(b)(2) of the Codified Ordinances) was given its first reading. Second reading and public hearing will be held on 4/4/11.

The Chair recognized Ms. Klemack-McGraw, Chairman of Lands & Zoning, for discussion and voting under said Committee.

- 1. Ordinance C-08-11 (Accept Real Property from the Grove City Area Community Improvement Corporation) was given its second reading and public hearing.

Mr. Chuck Boso, Dir. of Development, explained that this is a small piece of property being donated by the Community Improvement Corporation, for the purpose of connecting the city owned parking lot on the north side of Park Street with the city-owned parking lot on the south side of Grant Avenue.

There being no additional questions or comments, Ms. Klemack-McGraw moved it be approved; seconded by Mr. Grinch.

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| Mr. Grinch | Yes |
| Ms. Klemack-McGraw | Yes |
| Mr. Berry | Yes |
| Mr. Bennett | Yes |
| Ms. Albright | Yes |

2. Ordinance C-12-11 (Appropriate a 0.113+ acre Fee Simple Interest and a 0.020+ acre Utilities Easement from Helen Lucile Shepherd and the Heirs of David H. Shepherd located on White Road in Jackson Township and declare an emergency) was given its first reading.

Mr. Smith, Dir. of Law, explained that this is the next step in securing property for the White Road Improvement project. The family is agreeable to this, but because the will hasn't gone through probate this process is needed. He said this is the last parcel needed for this project and in order to keep on track when the improvements, an emergency is needed.

There being no additional questions or comments, Ms. Klemack-McGraw move that the Rules of Council be suspended and the Waiting Period waived; seconded by Mr. Bennett.

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| Ms. Klemack-McGraw | Yes |
| Mr. Berry | Yes |
| Mr. Bennett | Yes |
| Ms. Albright | Yes |
| Mr. Grinch | Yes |

Ms. Klemack-McGraw moved it be approved as an emergency measure; seconded by Ms. Albright.

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| Mr. Berry | Yes |
| Mr. Bennett | Yes |
| Ms. Albright | Yes |
| Mr. Grinch | Yes |
| Ms. Klemack-McGraw | Yes |

3. Resolution CR-12-11 (Approve Amendments to the Development Plan for Telhio Credit Union located at 4236 Buckeye Parkway as approved by Resolution CR-40-10) was given its reading and public hearing.

Ms. Karen Daniels, representative for Telhio, was present to answer any questions.

There being no additional questions or comments, Ms. Klemack-McGraw moved it be approved; seconded by Mr. Grinch.

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| Mr. Bennett | Yes |
| Ms. Albright | Yes |
| Mr. Grinch | Yes |
| Ms. Klemack-McGraw | Yes |
| Mr. Berry | Yes |

4. Resolution CR-13-11 (Authorizing the former Lumberyard site to be cleaned and a Plan for Temporary Park Amenities to be submitted to Council) was given its reading and public hearing.

Mr. Honey, City Admin., commented that we now have an engineering review of the Lincoln Street Studio Analysis. He said one recommendation was to put this property out for bid to see what the market will bear. He asked Chuck to pass out a Draft Resolution with the RFP to do that. He asked Council to review it and get any comments back to him in the next couple of weeks. He said we should make sure that this engineering review becomes the backbone of future decisions, so we get that maximum benefit from our limited dollars. He said any plans we do short or long term will be viewed in longer term plans and what the market will bear. He said he thinks everything has come together in the past year and now we need to find out what the market will bear and how to best use our dollars.

Mr. Bennett said the intent of this resolution is to get started on getting the lot straightened around and brought into code. He understands the long term goals and any proposals can be reviewed later, but he wants to see us progress in getting it cleaned up.

Mr. Grinch said it is one thing to clean up the lot, but he doesn't want to spend a lot of money on making it a temporary park. Mr. Bennett said there is debris that people have gotten hurt on and it needs taken care of.

Ms. Albright asked if this has been discussed with Mr. Elmer. It seems that we are going against what he previously said with this resolution. Mr. Boso said he doesn't know if Mr. Elmer is aware of this resolution. He said he has been talking with Frank about the RFP. As far as Mr. Elmer's perception of a park on this property, he referenced the 2/7/11 Council Minutes, where he says a park is a short term benefit unless high density housing is added around it. Mr. Boso said these may be complimentary to each other. In his opinion, this should march on in terms of fulfilling what Mr. Elmer said in the supplement but also it compliments this piece of legislation if it is approved.

Ms. Klemack-McGraw said this matter has been going on for too many years. She has received many letters about it. It is a shame that nothing has been done with this property so far to make it presentable. No private property owner would be allowed to leave their property in this shape. She would like to see a plan as soon as possible.

There being no additional questions or comments, Ms. Klemack-McGraw moved it be approved; seconded by Mr. Bennett.

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| Ms. Albright | No |
| Mr. Grinch | No |
| Ms. Klemack-McGraw | Yes |
| Mr. Berry | Yes |
| Mr. Bennett | Yes |

The Chair asked that any new business to be brought before the attention of Council be done so at this time.

The Chair recognized members of Administration and Council for closing comments.

1. The Mayor submitted the Mayor's Monthly Report and Mr. Berry moved it be accepted; seconded by Ms. Klemack-McGraw.

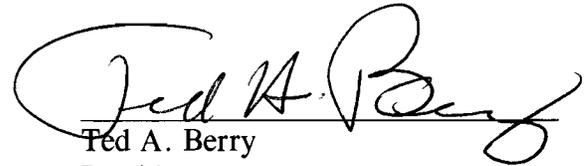
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| Mr. Grinch | Yes |
| Ms. Klemack-McGraw | Yes |
| Mr. Berry | Yes |
| Mr. Bennett | Yes |
| Ms. Albright | Yes |

The Mayor commented that in the Dispatch there was an article that we did get a small retraction on the next day. He pointed out that all taxes are current and paid. He said we are contesting the \$657,000.00 in penalties. If this isn't waived, that is all the city would owe; bringing the total exposure to \$1,179,000.00.

2. Mr. Honsey noted that we have found a space in the Gateway Business Park for Police storage. We have a one year lease on this Pizzuti warehouse space.
3. Mr. Smith said they are finalizing their appeal letter to the IRS and it should be completed shortly. Also, he attended the Jackson Township BZA meeting on the Jones Topsoil issue. He said at the end of the day all parties are happy and Jones will be seeking to annex to Grove City. He said the variance was approved with some tight restrictions.
4. Ms. Conrad provided an overview of the Parks & Recreation Master Plan.
5. After additional comments from Council and Administrative staff members, a motion to adjourn was approved by unanimous consent.

Council adjourned at 8:25 p.m.


Tami K. Kelly, MMC
Clerk of Council


Ted A. Berry
President