

City of Springdale Council

June 7, 2017

President Vanover called Council to order on June 7, 2017 at 7:00 p.m.

The governmental body and those in attendance recited the Pledge of Allegiance.

Mrs. McNear took roll call. Council members Diehl, Emerson, Ghantous, Harlow, Hawkins, Shroyer and Vanover were present.

The minutes of the May 3, 2017 and the May 17, 2017 City Council meetings were considered. Mrs. Emerson made a motion that the minutes for the May 3, 2017 meeting be adopted; Mr. Shroyer seconded. Minutes were adopted as published with seven affirmative votes. Mrs. Emerson made a motion that the minutes for the May 17, 2017 meeting be adopted; Mrs. Harlow seconded. Minutes were adopted as published with seven affirmative votes.

Communications

Mrs. McNear: Yes; we do have one letter this evening. This is from the Center for Addiction Treatment at 830 Ezzard Charles Drive, Cincinnati, Ohio 45214. Dated May 27th addressed to Mayor Doyle Webster. Several weeks ago, representatives from the Center for Addiction Treatment (CAT) attended a council meeting to explain our plans for growth as they relate to the Heroin crisis plaguing every community in Hamilton County. Thank you for that opportunity and for the gracious reception we were given. I want to share that CAT has recently received a donation from the Hamilton County Prosecutor's office using drug forfeiture funds. As you're aware, these funds can be used to address community anti-drug and alcohol education or remediation. We would ask that the city of Springdale likewise consider a donation CAT for these funds. Additionally, I'd like to extend an invitation to tour CAT at your convenience as well as offer CAT as a resource for your residents either for treatment or education on the disease of addiction. Please contact me if you have any questions about using the drug forfeiture funds or to schedule a tour. I can be reached at 318-6672 extension 123 or skuehn@ccatsober.org. Very sincerely, Sandra Kuehn, President and CEO. That completes the communication.

Communications from the Audience - None

Ordinances and Resolutions

Ordinance No. 22-2017

CONSENTING TO AND AUTHORIZING AN ENTERPRISE ZONE AGREEMENT BETWEEN THE HAMILTON COUNTY BOARD OF COUNTY COMMISSIONERS AND PRETZEL BARON, LLC AND DECLARING AN EMERGENCY

Mr. Diehl made a motion to adopt and Mrs. Emerson seconded the motion.

Mr. Parham: At this point I'm going to ask our Economic Development Director, Mrs. Christine Russell, to come forward and provide a bit of information for Council and the public as well as a guest that will be joining her at the podium.

Mrs. Russell: Good Evening. As the Ordinance said, we're talking about the building at 311 Northland Boulevard. Servatti purchased that building in 2014 and since that time, they have upgraded the facility and they now produce wholesale pretzels under the Pretzel Baron brand and also, up until recently, cookies under the Servatti brand. Last year, a German company called Valora approached Servatti about buying the Pretzel Baron part of the company. So Servatti is not going away. Nobody needs to worry about that. They wanted to expand in the United States and they found that Servatti uses the exact same equipment to make the pretzels here as they use in Germany and they had the benefit of the Servatti owner, Gary Gottenbusch, who is a German trained master baker. So, they had both the equipment and the expertise here. So, they negotiated with Servatti to purchase the Pretzel Baron part of the business and that agreement was finalized in the first part of this year. The acquisition involves \$17 million dollars of upgrades to that facility at 311 Northland as the ordinance discussed. Some of that will be directly into the building and some of that will be in equipment and upgrades to the operations there. Along with that, they plan to hire 50 more employees over the next three years. They're requesting an Enterprise Zone Property Tax Abatement on

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the improvements that will be done on the property. They're requesting a 75% abatement for eight years and this abatement will only be on the improved portion of those property taxes. They will continue to pay taxes on the current base value of that facility so it does not abate all the taxes, just the new taxes that will be realized from the improvements. The value of the abatement is estimated to be a little over \$38,000 a year. So, over the eight years it's a little over \$300,000 in benefit to Pretzel Baron. We would forego about \$1,600 a year in taxes, but we expect with the new jobs that there'll be a net gain for the City of Springdale. Because the company's payroll is expected to exceed \$1 million as they add these employees, they have entered into a side agreement with the Princeton City School District to make the payments to the school district in lieu of revenue sharing from the City. The ordinance talked that they would enter into that agreement, I just wanted to let you know that they have entered into that. The school board approved it two nights ago. So that is all signed and executed. Going forward, both the city and the county have to approve an enterprise zone, so this is the first step. If you do approve the ordinance tonight, Hamilton County Commissioners are scheduled to consider their legislation on June 21st. I'd like to introduce Brian Tooley, he is the CFO of Pretzel Baron and after he says a few words, both of us are available to answer any questions.

Mr. Tooley: Good evening and thank you for having me. Very proud to have joined the company right after Gary and Valora entered into the agreement. We've already started to grow before and in anticipation of all the increased sales we're looking at. So, we're up to 26 employees already. We've opened up a second shift. We're almost at our capacity already based on some national accounts that are coming to fruition this month. So, this is going to be enhancing the mixing parts, or the dough mixing if you think about pretzels and also additional packing lines. That's what we're going to be doing. So we're going to be doing it in a stage project so it's not going to be \$17 million all in one check; all in one month. It's going to be in stages as a small company like us can handle projects like this, but also as it meets my new bosses over in Europe and have those guys tell me when we can spend it and getting into it because we need to have the business to support it. Wish us luck over the next month as we enter into agreements and hopefully the Servatti brand will not just be a Cincinnati thing; people will know how well Gary and his family have made pretzels for a long time all over the country. So, we're already opening in Texas, Utah, and Washington, California, a whole lot of other regions so it's nice to see Springdale reach out beyond just Cincinnati. Thank you.

Mrs. Russell: Are there any questions we can answer?

Mayor Webster: I see we referenced in the ordinance that payments will still be made to the school district. Do you care to elaborate on that?

Mrs. Russell: So, under the Enterprise Zone statute when the payroll of the company exceeds \$1 million, there is a requirement in lieu of negotiating something else, there's a requirement to share those tax revenues 50/50. It has been Springdale's position since we started doing Enterprise Zone agreements many years ago that we would not do that revenue sharing. We would ask the company to enter into an agreement directly with Princeton City Schools to provide those payments. So, Pretzel Baron and Princeton City Schools have negotiated an agreement. That's what was signed on Monday night. The school board has taken action already so we know that is a done deal so there's no uncertainty regarding that.

Mayor Webster: How many jobs are we talking about here when full employment?

Mrs. Russell: What they have committed to; they're retaining ten jobs that are there now. They are going to add 50 more. I'll let Brian talk on that. I think that their actual plans may exceed that.

Mr. Tooley: Well, my hopes are, because I hope to have the business to support it. We're doing it in three stages. So, at first we had to bolster beyond one shift. So, right now what we did was build a second shift and we're running about 12 hours each group because these guys like overtime and like getting paid. Then we're also building the infrastructure that's the support system for this so it's not just people who are working on the packing. We need someone to do capacity analysis, purchase orders and logistics and paying bills and things like that. So we've built that infrastructure already in advance of this and then we've also brought the second shift on. Each then wave after that will be consistent with when we add the lines. So when we add

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another line, that's going to be another two or three shifts. Another twenty or twenty five people and we're hoping to get 60 but our dreams for Gary and I are over 100. So we think that facility can handle four packing lines and can handle over 100 people and we would be able to support a lot of U.S. business at that point on what he and I are looking at in 2019 to 2020. Right now the immediate focus is on the first two packing lines and the advances in the mixing equipment and actually we've got to move a few things in the building around which is part of the add to of the \$2 million of the \$17 million that we're going to be putting into the building itself.

Mrs. Russell: Brian can you, just because it's an impressive number. Can you talk about the number of pretzels that come off of one line in a period of time? It boggles the mind.

Mr. Tooley: No, no, it's pretty neat. We haven't even hit these national accounts already and after May, we'd already sold around 5.8 million pretzels for this year since we entered into the business in January. We're shooting for eight digits. So we're trying to get into a sustainable amount where we're selling somewhere between 30 and 50 million pretzels a year and then going beyond that once we get the additional lines.

Mrs. Russell: All those made in Springdale.

Mr. Tooley: All of them made in Springdale, yes. By the way, I'll do one plug. Kroger is going to be one of the places we're going to be at. If you guys want to, we'll be starting to be seen in the Kroger stores very very soon.

Mayor Webster: Just for everybody's benefit, this facility used to house heater meals and those folks closed up, I don't know, four to five years ago and they had around 100 people working down there and so it sat vacant for a while. Then Servatii took it over and I guess they've had 10 or 12 people in it. This is a big employment boost for the city with Pretzel Baron expanding their operations and up to hopefully someday 100 people down there. So, it's a great opportunity for the city and I'd certainly urge council to declare this, pass this legislation. Thank you.

Mr. Diehl: Is there a requirement for samples?

Mr. Tooley: I'm within a very quick drive; that can happen. We're running the ones for Kroger today right now.

President Vanover: None would be rejected.

Ordinance 22-2017 passes with seven affirmative votes.

Ordinance 23-2017

ACCEPTANCE OF THE DEDICATION OF CERTAIN LOTS AS PUBLIC RIGHT-OF-WAY AS PART OF NORTHWEST BUSINESS CENTER SUBDIVISION AND DECLARING AN EMERGENCY

Mrs. Harlow made a motion to adopt, Mrs. Emerson seconded the motion.

Mr. Parham: Thank you Mr. President. Council, as you look at the exhibit, Exhibit A, which is as the ordinance speaks to is from the County Engineer and Auditor tax maps. Exhibit B is from the County Recorder's plats. They are not the clearest documents. So as a result, we are providing to Council the additional documents to illustrate a clearer picture of the exhibits. They're not necessary part of the ordinance, but we will keep them so that any future councils or administration can very clearly identify the locations. Because they're not that clear on those other two documents.

Ordinance 23-2017 passes with seven affirmative votes.

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Ordinance 24-2017

AMENDING CHAPTER 123 (RENTAL PERMITS) OF THE SPRINGDALE CODIFIED ORDINANCES AND DECLARING AN EMERGENCY

Mrs. Emerson made motion to adopt, Mr. Diehl seconded.

Mr. Parham: Thank you Mr. President. Council it is pointed out in the Pending Legislation Report that Chapter 123 of the Springdale Code of Ordinances regulates the City's Rental Permit Program. In a review of the current program, we determined that the program was in need of an update in an effort that we remain consistent with current law. A number of amendments are being proposed as a part of the Exhibit that you have before you this evening. The central focus of those proposed amendments are accomplishing a number of things. One, to clarify that the inspection of a single household residential property is performed under voluntary consent from the owner. Number two is to clarify the City has the ability to seek an administrative search warrant to gain access to perform said inspection of the rental property. Three, to clearly define which facilities on the property are subject to a review or inspection of the property.

Mr. Hawkins: I like the ordinance overall. There's one thing I would tweak. It's hard to see. I don't know if there's headings under whether there are numbers beyond where we've got these, but I guess on page 3 that B at the top? Where it's got "the Building Official shall inspect the dwelling or dwelling unit, including the interior and exterior" what have you...stating along the lines of it being voluntary. I would qualify that with maybe saying during an inspection, the Building Official shall inspect so that it's clear. I guess the way it's written it sort of seems like there's going to be an inspection. I know it's getting to really describing what's going to take place, if there's an inspection, but if it's got a qualifier saying during an inspection, the Building Official shall fill in the blank. It lends itself to still being not making it seem like its mandated.

Mr. Parham: Just for clarification purposes. At the beginning you simply add the word during an inspection and it leads into the balance of it.

Mr. Hawkins: Yes sir.

Mr. Parham: Okay

Mrs. McNear began to poll Council, but was stopped.

Mr. Parham: Yes sir, I think you have to vote on the amendment that was suggested.

President Vanover: You're right. Correct. I need a motion to amend.

Mrs. Emerson offered a motion to amend Ordinance 24-2017 where previously stated. Mr. Hawkins seconded.

Previously, Mrs. Emerson motioned to adopt Ordinance No. 24-2017 and Mr. Diehl seconded the motion.

Ordinance 24-2017 passes with seven affirmative votes.

Old Business

Mrs. Harlow: I'd like to see if we could revisit the parking at the corner of Nelson and Van Cleve. I know that Administration had looked into that. The cars are parked right up to the corner on Nelson. There's also, when I came through around 3:00 today, cars were parked right up to corner on Van Cleve. There's going to be a serious accident there at some point. Someone's going to get hurt. If there's a child crossing the street, they cannot be seen. I know that Derrick, you looked into that we needed to comply with the Ohio Revised Code. Isn't there something that we can do to limit parking to the corners?

President Vanover: Mr. Parham, this is directed to you.

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Mr. Parham: Alright, I don't have them all in the front of my head, but I know one of the conditions under the State code indicated that you had to be within 20 feet upon the approach of the stop sign. I think one of the concerns is where a lot of the cars are parking are, where they are legally parking, it is not upon the approach, it is on the ascent, if you will away from the intersection, which is not a violation. The question is then do we have the ability to then craft language that will prohibit parking in that case, and that's going to be a lot of locations. This issue exists pretty much all over the community. We would have to come up with some language perhaps within a certain feet away from the intersection. I think one of them spoke to it being in a crosswalk and there's no crosswalk in that location.

Mrs. Harlow: Could we put a crosswalk in there?

Mr. Parham: Sometimes they are regulated by the....; Don, I'm losing track of all these terms. Well, not necessarily the warrants, but what's the book? The traffic control. So, certain things are regulated by the traffic control manual of whether you can put them in place or not. The other is where there are sufficient warrants or enough traffic that would require it to be permissible.

Mrs. Harlow: Well, I'd really like to see us do something because the visibility is extremely poor and I just fear that some child is going to get hit on a bicycle or someone who's trying to cross the street is not going to be seen and a car coming around the corner is going to get them.

Mayor Webster: Well, I wholeheartedly concur with Mrs. Harlow on that. I have had some first-hand experience of that this past Sunday. I was going Northbound on Van Cleve and I came up to Nelson. I couldn't see. I had to get all the way out in the intersection before I could see if somebody was coming westbound on Nelson. You know it's a hazard and I don't care what the hell the code says, we, other places and other cities put up No Parking signs and I can't imagine that we are prohibited from putting up a No Parking sign to eliminate a dangerous situation, plain and simple.

Mrs. Harlow: Mayor Webster, were there cars parked all the way to the corner on Van Cleve that day?

Mayor Webster: Yes, and it was a truck, a pickup truck that was parked right next to the intersection.

Mrs. Harlow: So, if you're trying to turn off of Nelson on to Van Cleve, and a car is coming. There's no way you're going to be able to have that visibility to see around the corner.

Mayor Webster. So it's definitely a dangerous situation and I think we ought to do something about it.

Mrs. Harlow: I agree, thank you.

Mayor Webster: If we need to amend the ordinance or the code, we ought to do that.

Mr. Shroyer: I agree with that. The issue there are other places in the City where I've seen signs no parking here to corner or no parking between signs and I don't know what the regulations are or where we can do that, but is that a regulated issue or can we just put up two signs No Parking between signs?

Mr. Forbes: As what Mr. Parham was saying, I will check. Anytime you put up a sign that's in essentially a traffic control device, those are governed by this Ohio Manual of Uniform Traffic Control devices. That's set by the State. That will set forth when, and under what circumstances, you are permitted to put up signs. So, I'll have to look at that. We can look at that manual to see what the requirements are for just a general No Parking or I know what you're talking about the No Parking from here to the corner or between these signs.

Mr. Shroyer: I know there's also a provision under the fire code that basically the Fire Department can post fire code or fire lanes at any point that they choose to and I don't believe

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that it's restricted to one side of the street. If all else fails, we could post both sides of the street as fire lane to a point in both directions. Because the other issue exists that when they're parked like that, a fire truck is not going to make that turn. If there were no other option, it may be an option we post both sides of Van Cleve as a Fire Lane for some distance off of Nelson and post both sides of Nelson for some distance.

Mr. Hawkins: Maybe could just start adding a hydrant over there. That would take care of that too. I also wouldn't be surprised if there's something in the Code maybe that has a catch all for maybe for public safety or to avoid some type of unsafe situation. I don't know, but something has to make it okay.

Mr. Parham: If you all recall, the first time the gentleman came to the chambers, we focused on the fire lanes and we investigated fire lanes and I believe what we found is that it was not permissible by the fire lanes, but we will explore that again. We'll explore it all again. If you choose that you want to put signs up, we can put signs up. The question is whether or not the signs will be enforceable in our Mayor's Court or downtown. The fact of the matter is; they would not. So if you want to go out there and put them up; yes you can put them up. What's the use of putting them up if the individual then goes to Mayor's Court and they're found not guilty because they're not admissible, or not permissible. So, we'll explore to see what opportunities that are out there and we'll have something for you at the next meeting.

Mayor Webster: Well, to pick up on Mr. Hawkins point, if you know, is there another category, also is there some sort of appeal category in the State code where we could make an appeal to where we would write some regulation. We've got a safety hazard. We've got a safety problem here and we need to get creative. We've got to solve the problem.

New Business

Mrs. Harlow: I read an article in the Tri County Press about recycling and it's called Simple Recycling. It is not associated with Rumpke, but they do accept items such as clothing, and household items, textiles and there's no charge to the city for this at all. They would, if the City is interested, the City can earn one penny per pound for the items collected and it's in 21 Ohio counties right now. They state that according to their data, the average person discards 68 pounds of clothing each year with 85% of that winding up in landfills. This company would recycle clothing with 45% of it being repurposed or exported as second hand clothing. Thirty percent is converted to wiping rags for industrial and residential use. Twenty percent is converted into home insulation and carpet padding and raw material for the automobile industry. So, they would, if the city is interested in looking into this, they would provide two bags per household and then the resident could always call and ask for additional bags and these bags would be put out on the day that Rumpke goes through their neighborhood and then Simple Recycling would come along behind Rumpke and pick the bags up.

Mrs. McNear: I actually had that same article, but it was from the Enquirer. I think that it's a good idea, because I think a lot of things do end up in the landfills. I take all of my stuff to Goodwill, because it's very convenient and it gets reused and it doesn't go in the landfill. I just wondered what Rumpke thinks about having this out there at the same that they're trying to do their garbage pickup as well as the recycling. I would think it would make more sense to do it on a different day. I understand they probably want to do it the same day as their normal garbage pick-up because it's on people's minds to put it out at the street. I thought there might be some conflict there, but other than that, I think it's a good idea. Anything we can do to keep out of the landfill. I'll leave this up here for anybody who wants to take a look at it. I'm sure Mrs. Harlow would do the same, but there's a picture of their truck. It is well documented; it's called Simple Recycling. The article also goes on to say that this is not intended to take away from what people normally would give to Goodwill or other organizations. They said people who are going to use this service don't donate their things. They just toss them. I don't know I believe that, that's what the article states. I would be all for keeping things out of the landfill. Thank you.

Mr. Diehl: On the surface, I think it's a good idea. Perhaps we can have a representative come in and make a presentation? People would like to see that.

Mr. Parham: We can get a copy of it and then take a look at it and see if we can get a representative.

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Mrs. Harlow: Thank you.

Mayor Webster: I saw that same article and I think does anyone know if Sharonville is doing that?

Mrs. Harlow: Yes

Mayor Webster: That's what I thought so, I had some of the same questions that Mrs. McNear had. How do you keep that separate from your recycle stops and what's that do at the Goodwill and Vietnam Vets and all those kind of folks because I do the same thing I'm a regular down at Goodwill.

Mrs. McNear: The bags that they give out, the Simple Recycling. They give out these orange bags and it says Simple Recycling. You probably can't see it from this far; I'll pass it down. I would want to know what Rumpke's thought is to see if that's a hindrance to their pick up.

Mrs. Emerson: How long has Sharonville been doing it?

Mrs. Harlow: They just started it.

Mrs. Emerson: So maybe we can check to see how it's going for them. If they've even started it yet.

Mr. Parham: Council I want to share with you that on Tuesday, May 30th the City opened bids for gasoline and diesel fuel. Unfortunately as we have the last couple of times, we've only received one bid. It was from our current supplier, Lykins Energy Solutions. Prior to this process, our Public Works Department goes out and makes contact with other suppliers and encourages them to submit a bid. Some even suggest that they might, but they haven't in the last couple of opportunities. The bid is comprised of two different grades of unleaded gasoline; 89 octane and 93 octane as well as for diesel fuel. The contract is proposed to cover a two year period with an optional third year. This is essentially identical to the last two contracts that we've had and I think; I know for certain, the last contract we only had one bid. We may have even had it for the previous one. The good news is that the bids came in actually less than our existing rates. The new proposed rate for 89 and 93 octane is 0.159 compared to our existing rate for 89 octane and 93 octane is 0.173 and for diesel fuel, also a lower number 0.1875 compared to existing of 0.1998. We would request an ordinance at the June 21st meeting to accept the bid from Lykins Energy Solutions. That's all I have. Thank you.

Meetings and Announcements

Mrs. Harlow: Planning Commission will meet on June 13th at 7:00 p.m. in these chambers.

Mrs. Zimmerlin: The Park and Recreation Department is accepting applications for part time park maintenance worker position. Details and application forms are available at the city website or at the Community Center. You can still register for Fall Soccer, Volleyball and the Sailfish Swim Team. You can contact the Community Center for details on that as well. The Community Center pool is open for the season. Technology 101 will be offered for adults and seniors on Friday mornings through the month of June. Individuals are offered private instruction on their ipads, smart phone, notebook or other mobile device and appointments are 45 minutes in length and the cost is \$3. You can contact the Community Center. The Rock Solid fitness class is back again for this Summer on Saturdays at 9:30 a.m. It's a mixture of calisthenics and body weight exercises with interval and strength training. It's a fun way to get in shape. That's all I have.

Mayor Webster: I have a question for Mr. Diehl or Mrs. McNear. Do you want to give a report on Finance Committee meeting since you know I think that issue is supposed to be taken care of at the next council meeting? Do you want me to do it?

Mr. Diehl: No.

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Mrs. McNear: Yes, I thought we would do this at the next meeting in Reports, but I can do that this evening. The Finance Committee did meet earlier this evening at 6:00. All members were in attendance. The topic was a banking bid for the next two years with that optional third year for our depository. We discussed the minimum deposits required to recover our fees. That would be things such as our checks; the cost of the checks. There were one, two, three, five bids that were sent in. We have selected US Bank as the best bid and we will have an ordinance before us at the next council meeting. Thank you.

Mrs. Ghantous: Board of Zoning and Appeals will meet on June 20th at 7:00.

Mr. Hawkins: At what point do we need to address putting somebody on BZA with Mr. Wilson leaving? Do we do that next; our next meeting?

President Vanover: Yes

Mr. Parham: It will be announced at the next meeting which is on the 20th? By that time ...

Mayor Webster: Is anybody aware there's a vacancy? Everybody's shaking their head. You got to know this.

President Vanover: Yeah, I...

Mayor Webster: We've got people shaking their heads, don't even know there's a vacancy.

President Vanover: Mr. Wilson submitted his resignation for BZA. They are leaving the City so he was no longer eligible. So, we will need to replace him. So, rather than rush in this evening, we'll do it next meeting.

Mrs. Emerson: The Board of Health is on their summer session so it will meet again starting September 14th.

Communications from the audience - None

Update on legislation still in development

Mr. Hawkins: As you review your internal memorandum Item number one was addressed with Ordinance No. 22-2017. An ordinance consenting to and authorizing an enterprise zone agreement between the Hamilton County Board of County Commissioners and Pretzel Baron LLC and declaring an emergency which passed with a seven to zero vote. Item number two was addressed with Ordinance No 23-2017. An ordinance accepting the dedication of certain lots as public right-of-ways as a part of the Northwest Business Center subdivision and declaring an emergency and that passed with a seven to zero vote. Item number three was addressed with Ordinance No 24-2017. An ordinance amending Chapter 123 regarding rental permits of the City of Springdale codified ordinances and declaring an emergency and that passed with a seven to zero vote. All other matters are forthcoming.

Recap of legislative items requested for next council meeting

Mr. Hawkins: There will be a request for an ordinance confirming the designation of depositories for the City of Springdale and declaring an emergency with US Bank. There will be a request for the ordinance accepting a bid and authorizing the Mayor and Clerk of Council/Finance Director to enter into a contract for gasoline and diesel fuel and declaring an emergency with Lykins. Also have an ordinance authorizing an agreement between the City of Springdale and the Board of Hamilton County Commissioners for municipal road funds relative the improvement of West Kemper from Springfield Pike to Kenn Road and declaring an emergency. A resolution adopting the 2018 tax budget of the city of Springdale for the year January 1, 2018 through December 31, 2018.

Mr. Parham: Just a comment. Because I hate to bring things to you and ask you to consider it the evening of. The City's Electric Aggregation Program is due to expire this October. As you recall the gas program expired last October 2016. We met with the group

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that we have partnered with for this program and the broker. They provided us with what they call the indicative rates which are estimates. If we were to, and at that point they demonstrated this rate would be about a 7% savings on what we are currently paying from our current provider, IGS. The advantage of staying with IGS is that you don't have to go back and renegotiate a contract. At the same time, IGS would look to implement the program sooner which means residents would have the ability to save sooner with those new rates. They would implement those rates before the expiration date in October. But the rates are never the exact rates and what I said to them is I need to know what we're going to be addressing (the new rates) if we're going to present that to the elected legislative body. The broker then went back to IGS and asked them for a rate that would essentially go into effect around the end of the month. I'm sorry, they would lock it in at the end of the month. Okay, now they could tell me these indicative rates at a meeting two weeks ago, or lower, but they couldn't give me rates last week. The rates that they showed me were higher than our current rates, so I simply told them at this point we don't have anything to address. Some of the other jurisdictions are taking it to their legislative body I believe this week and next week. We have our next meeting on the 21st. If the rates come back favorable to where they were at a 7% savings and they are willing to lock-in those rates, there's a possibility that we may bring to you an ordinance to lock them in if it's at those lower rates. If you feel comfortable, but right now I can't tell you what it is going to be. Thank you.

Mr. Hawkins moved to adjourn. Mrs. Emerson seconded and council adjourned at 7:49 p.m.

Respectfully submitted

Kathy McNear
Clerk of Council/Finance Director

Minutes Approved:
Tom Vanover, President of Council

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