

Minutes of the Vermilion City Council Meeting

Monday, May 4, 2020

Videos and minutes of council meetings are available to the public to view online at www.cityofvermilion.com under 'meetings' tab (City Meeting Minutes or Videos).

Vermilion City Council: Steve Herron, Council President; Monica Stark, Council at Large; Emily Skahen, Ward One; Frank Loucka, Ward Two; Steve Holoavcs, Ward Three; Barb Brady, Ward Four; Brian Holmes, Ward Five; G. Fisher, Certified Municipal Clerk

Administrative Staff: Mayor Jim Forthofer; Amy Hendricks, Finance Director; Chris Howard, City Engineer; Tony Valerius, Service Director; Ken Stumphauzer, Law Director

CALL TO ORDER:

Steve Herron, President of Council called the Monday, May 4, 2020 Vermilion City Council Meeting to order.

PLEDGE OF ALLEGIANCE:

The members of Council, administrative staff, and audience participants recited the Pledge of Allegiance; a moment of silence followed.

APPROVAL OF MINUTES:

M. Stark MOVED; B. Brady seconded to approve the minutes of the April 20, 2020 meeting. Roll Call Vote 7 YEAS. **MOTION CARRIED.**

CORRESPONDENCE: None.

PRESIDENT OF COUNCIL'S REPORT:

S. Herron thanked everyone in the community for continuing to support local businesses and continuing to be polite during these stressful circumstances and keeping social distancing and following the recommendations that were set forth by the Governor and the CDC. It helps everyone to remain respectful when grocery shopping, etc. He asked everyone to be respectful of the rules as they try to get through this time.

As far as when City Council will go back to their normal meeting place, he will follow the recommendations from the CDC and the Governor's administration to the point they feel it is comfortable for cities and townships to get back together in a social setting. There is no indication as this point, but they will continue through May to conduct all meetings via zoom, and he will continue to keep an open ear. He will continue to monitor the situation and he will not put anyone in a situation where they feel uncomfortable, as he doesn't want to compromise anyone's immune system or anyone they're living with.

COMMITTEE REPORTS:

Legislative:

M. Stark reported the next meeting is scheduled for May 11, 2020 at 6:00 p.m. via zoom.

Vermilion Community Services:

M. Stark said during the pandemic situation, Sandusky County Transit will provide bus services at no charge.

Utilities:

F. Loucka reported the next meeting is scheduled for May 11, 2020 at 6:00 p.m. via zoom.

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Port Authority:

F. Loucka reported the next meeting is scheduled for May 14, 2020 at 6:30 p.m. via zoom.

Finance:

B. Brady reported the next meeting is scheduled for May 11, 2020 at 6:00 p.m. via zoom.

Planning Commission:

B. Brady reported on the meeting held April 29. The next meeting is scheduled for June 3 at 7:00 p.m. at a location to be determined.

Health & Safety:

B. Holmes reported the next meeting is scheduled for May 11, 2020 at 6:00 p.m. via Zoom.

Parks and Recreation:

B. Holmes reported on the meeting held April 21. The next meeting is scheduled for May 19, 2020 at 6:00 p.m. via zoom.

Historic Design & Review:

Emily Skahen reported the next meeting is scheduled for June 3, 2020 at a time and location to be determined.

Vermilion Tree Commission:

Emily Skahen reported the next meeting has not been scheduled at this time. G. Fisher said she has been asked to schedule a zoom meeting on May 13. She will provide the details later.

Streets, Buildings & Grounds:

S. Holovacs reported the next meeting is scheduled for May 11, 2010 at 6:00 p.m. via zoom.

Contractor Registration:

S. Holovacs reported no meeting is scheduled at this time.

Zoning Board of Appeals:

S. Holovacs reported on the meeting held April 28. The next meeting is scheduled for May 26 at 7:00 p.m. via zoom. G. Fisher advised M. Stark that S. Holovacs had requested to put the discussion of above-ground pool requirements on the next Legislative agenda for review since the code was written in the 60's.

MAYOR/SAFETY DIRECTOR'S REPORT:

Mayor Forthofer provided his submitted report as read into the record.

City Operations

The Administration is planning to safely bring home working employees back to City Hall and eventually reopen the building to the public. We are waiting for more guidance from the Governor's office and local health departments. I am also conferring with other municipalities.

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COVID-19 Testing

I am often asked when there will be COVID-19 testing in Vermilion. None is planned by Erie County Health. If you want to be tested, call the Firelands Regional Medical Center. You must have a doctor's order.

Service Organizations

Credit is due to our service organizations Main Street Vermilion and the Chamber of Commerce for the aid they have been offering our business. These organizations have been virtual supplements to our own Administration by offering businesses financial assistance, reopening strategies and keeping business names in the public consciousness. Many thanks to these organizations.

Economic Development

Started projects continue. George's Roofing has renovated its new headquarters on Liberty. It will be demolishing the old apartments in the next few days to make room for new projects. The deli on Liberty and Grand River is under renovation. Large new prospects are out there.

Finances

All governments are bracing for the reduction in revenues due to the shutdown. Most local governments are predicting shortfalls in the 20 – 30% range but the full effect may not be apparent until well into next year.

Finance Director Hendricks will provide detail, but the City's big financial picture is this.

- The past two years we have gotten our financial house in order and become stable and began making investments in City projects that move us forward.
- This year, if we suck in our gut, with continued cost reductions, we may end the year solvent if we freeze spending and take whatever steps we can to reduce expenses.
- Next year will be the cold-water bath as wave of revenue shortfalls breaks over us.

I detest operating the City in retreat mode. We've been making progress. But these self-imposed national slow down dictates that we have no choice other than spending the next seven months preparing ourselves for austerity.

Federal Help

The latest round of Federal government relief is called the CARE Act. Among other things, it gives Governor DeWine some millions to help support municipalities. The money allocated to municipalities is limited to those with population 500,000 and over. Congresswoman Marcy Kaptur has requested that the Governor allocate the revenues by population density which would give Vermilion half a chance at seeing some relief money. All indications are that it won't happen. Our best chance at Federal relief will be when Congress fires up the money printing presses and passes the next round of relief.

SERVICE DIRECTOR'S REPORT:

T. Valerius reported that as of today the services department is operating at full staff and they have all been reminded of the recommendations and requirements of the Governor's office pursuant to personal protective protocols during the pandemic. The Street Department has begun durapatching and they started in the high traffic areas of the city of which they will complete before moving into the neighborhoods. The Distribution Department will begin cleaning the beach well this week and will be assisting the contractor in replacing the water line as part of the Haber Road bridge construction.

Phase II of the Vermilion Road Resurfacing Project began today, and the project includes repaving Vermilion Road from Brownhelm Station Road to Jerusalem Road. All guardrails within the construction zone will be replaced as well. One-way northbound traffic will be permitted only throughout the duration of the project. All southbound traffic will be detoured. Precision Paving is the contractor and they did the project last year, so the city doesn't foresee any issues. The completion date is July 31.

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B. Holmes asked if the city is keeping the grindings. T. Valerius said they are keeping a certain amount of the grindings and a spot has been prepared at the service center, which should begin at the end of this week.

CITY ENGINEER'S REPORT:

C. Howard updated council on various items. This Thursday they will hold a pre-construction meeting for the Sanford Street Water Line Project. Once a construction schedule is provided by Underground Utilities, he will share it with council and the public. Secondly, Resolution 2020R-6 and 2020R-7 are on the agenda for a first reading and he asked for council's consideration in adopting both resolutions this evening by emergency. These resolutions are for MPO funding applications. Resolution 2020R-7 is for Sunnyside Road Rehabilitation Phase 2. The project limits are: 800' north of the Norfolk Southern Railroad Tracks to 200' north of Shady Lake Drive; approximately .38 miles). If this project is selected for funding, the city is asking for funds for fiscal year 2025. The project estimate is \$932,525 of which the city portion is \$243,157. Resolution 2020R-6 is for Vermilion Road Reconstruction Phase 4A. Project limits are from the south corporation limit to 1,890' north of the south corporation limit; approximately .36 miles. If this project is selected for funding, the city is asking for funds for fiscal year 2024. The project estimate is \$1,191,682 and the city portion is \$310,237.

LAW DIRECTOR'S REPORT:

K. Stumphauzer said the State Auditor's report came out and there was a finding for recovery in the City of Vermilion, which is a matter that was addressed last year, and he thought it had been resolved. However, he will give a background of the matter and what was addressed and what he intends to do moving forward. He hopes to be able to coordinate with the State Auditor to get this resolved. He will keep council advised and will send them privileged communication.

OPEN TO THE AUDIENCE:

Homer Taft of 3972 Edgewater Drive said he has been attending the pool subcommittee meetings and Parks Board meetings and wanted to express his concern about opening the pool this year at this point. Plainly, COVID is going to be with them during the summer and the pool costs about \$52,000 to operate and no fees have been set for the year. There's going to be limited use and it's probably a dangerous place to be with the nature of how COVID is spread, so he hopes council would save the \$30,000 toward a better solution for a better pool someday. He said it might be more than \$30,000.

FINANCE DIRECTOR'S REPORT:

Amy Hendricks submitted her report as verbally relayed to City Council as follows:

Appropriation Update

You received a copy of the appropriations for Third Reading on tonight's agenda. The changes are primarily line item adjustments within department. One addition of \$106,800 in premium revenue for the Fund 509 Water meter project bond sale as well as an increase in the budget to cover the cost of issuance.

Financial Update

We have not had enough time to detect a significant impact on our revenues with the 3-month extension on the 2019 income tax filings and 2020 estimated payments. We have had the bonus of a rebate from BWC in the amount of \$89,100 to assist with COVID 19 related impacts. These funds have been prorated back to the funds the premiums were originally paid from.

Right now, our largest pandemic related expenses are approximately \$10,000 in unemployment claims for people who are on our payroll part time for the rec department and fire department who have been laid off from their primary employers. As a reimbursing employer, we do not pay a premium, but are billed for the claims based on the City's share of earnings in the base period.

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Carry-over at December 31, 2019, was \$2,245,000 in the General Fund which will be utilized to offset cash flow delays from changes in tax deadlines, delinquencies, etc.

Originally adopted 2020 appropriations and revenues indicated an operating surplus of \$476,786 at December 31, 2020.

General Fund estimated two-year loss of just under \$1.1 million is:

Income Tax	20%	\$447,185
Misc. Other	various	- 122,000
Est. Revenue Loss	2020	\$ 569,185
	2021	\$ 527,630

Delay of income tax due date will not give us a complete look at 2019 until fall, which will be mixed with 2020 estimates and withholdings. Actual 2020 returns will be reconciled until Summer, 2021.

General Fund savings are currently estimated at \$207,000 as follows for the remainder of 2020:

Reduced Personnel expenses	\$ 70,000
Delay parking lot development	\$122,000
Delay water tower repairs	\$ 15,000

Streets All 200 Funds projected balance \$800,000

Income Tax	20%	- 279,000
State Funding	20%	- 201,750
Est. Revenue Loss		\$ 480,750

Urban paving program projects are currently set to start next year and that will require carry over to support local funding from the street department. In an Ohio Municipal League (OML) finance call this morning, the Auditor of State cited that ODOT measured a reduction of 45% from standard traffic levels.

Other funds are likely to have impacts from decreased services, increased delinquencies, and other areas of funding that can't be estimated at this time.

Unfortunately, by the time we can fully measure revenue losses, it will be too late in the year to change course at that time. Income tax estimates will be complicated with many residents working out of town, so we are not seeing ongoing payroll withholding trends for those individuals but will not be measurable until as late as next summer.

Most of our capital projects are being paid for from other funds that have restricted use that are already underway.

Reading of the Ordinances:

Third Reading – Ordinance 2020-15: AN ORDINANCE AMENDING ORDINANCE 2020-5 ADOPTED MARCH 2, 2020 TO MAKE APPROPRIATIONS FOR CURRENT EXPENSES AND OTHER EXPENDITURES FOR THE CITY OF VERMILION, OHIO FOR THE FISCAL YEAR ENDING DECEMBER 31, 2020 AND DECLARING AN EMERGENCY.

S. Holovacs MOVED: F. Loucka seconded to adopt this ordinance by emergency. Roll Call Vote 7 YEAS. **MOTION CARRIED.**

Third Reading – Ordinance 2020-17: AN ORDINANCE AUTHORIZING AND DIRECTING THE MAYOR OF THE CITY OF VERMILION, OHIO TO ENTER INTO A CONTRACT FOR MANAGEMENT SERVICES FOR THE OPERATION AND MAINTENANCE OF THE CITY'S CEMETERIES.

F. Loucka MOVED: M. Stark seconded to adopt this ordinance by emergency. Discussion: B. Brady asked the mayor if there were any changes to the contract. Mayor Forthofer said there were no changes this year. Roll Call Vote 7 YEAS. **MOTION CARRIED.**

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Third Reading – Ordinance 2020-18: AN ORDINANCE AUTHORIZING AND DIRECTING THE MAYOR OF THE CITY OF VERMILION, OHIO TO ENTER INTO A CONTRACT ON BEHALF OF SAID CITY WITH THE TOWNSHIP OF BROWNHELM, LORAIN COUNTY, OHIO TO PROVIDE FIRE PROTECTION FOR THE PERIOD OF JULY 1, 2020 THROUGH JUNE 30, 2021 AND DECLARING AN EMERGENCY.

S. Holovacs MOVED; F. Loucka seconded to adopt this ordinance by emergency. Roll Call Vote 7 YEAS. **MOTION CARRIED.**

First Reading – Resolution 2020R-6: A RESOLUTION AUTHORIZING THE MAYOR TO PREPARE AND SUBMIT AN APPLICATION TO THE ERIE REGIONAL PLANNING COMMISSION TO PARTICIPATE IN THE METROPOLITAN PLANNING ORGANIZATION (MPO) AND TO EXECUTE CONTRACTS AS REQUIRED. (Vermilion Road Reconstruction – Phase 4a)

F. Loucka MOVED; S. Holovacs seconded to suspend the rules. Roll Call Vote 7 YEAS. **MOTION CARRIED.**

M. Stark MOVED; S. Herron seconded to adopt this resolution by emergency. Roll Call Vote 7 YEAS. **MOTION CARRIED.**

First Reading – Resolution 2020R-7: A RESOLUTION AUTHORIZING THE MAYOR TO PREPARE AND SUBMIT AN APPLICATION TO THE ERIE REGIONAL PLANNING COMMISSION TO PARTICIPATE IN THE METROPOLITAN PLANNING ORGANIZATION (MPO) AND TO EXECUTE CONTRACTS AS REQUIRED. (Sunnyside Road Rehabilitation – Phase 2)

S. Holovacs MOVED; F. Loucka seconded to suspend the rules. Roll Call Vote 7 YEAS. **MOTION CARRIED.**

M. Stark MOVED; S. Herron seconded to adopt this resolution by emergency. Roll Call Vote 7 YEAS. **MOTION CARRIED.**

Announcement of Meeting Dates:

May 11, 2020 – Vermilion City Council Committee Meetings – 6pm – Zoom Video Meeting
May 18, 2020 – Public Hearing followed by Vermilion City Council Meeting – 6pm – Zoom Video Meeting

Adjournment:

Upon no further business coming before the body, Steve Herron, President of Council adjourned the Vermilion City Council meeting.

Transcribed by Gwen Fisher, Certified Municipal Clerk